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THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

HEARINGS

BEFORE THE

COMMITTEE ON ARMED SERVICES UNITED STATES SENATE

ONE HUNDRED FIRST CONGRESS

SECOND SESSION

DECEMBER 12, 1989; JANUARY 23, 24, 25, 26, 30; FEBRUARY 2, 6, 7, 8, 21, 22; MARCH 7, 1990

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CONTENTS

CHRONOLOGICAL LIST OF WITNESSES

EARLY WARNING TIME IN EUROPE

DECEMBER 12, 1989

Page

Wolfowitz, Paul D., Under Secretary of Defense for Policy, accompanied by Charles E. Allen, National Intelligence Officer for Warning, Central Intelligence Agency; and Lt. Gen. George L. Butler, U.S. Air Force, Director, Strategy, Policy and Plans for the Joint Staff 5

THREAT FACING THE UNITED STATES AND ITS ALLIES

JANUARY 23, 1990

Webster, Hon. William H., Director of Central Intelligence 57

Soyster, Lt. Gen. Harry E., USA, Director, Defense Intelligence Agency 62

O'Lear, Brig. Gen. R.J., USAF, Director of Intelligence, U.S. European Command 65

CHANGES IN SOVIET THREAT

JANUARY 24, 1990

Karber, Philip A., Senior Vice President for National Security Programs, The BDM Corporation 72

Warner, Edward L., III, Senior Defense Analyst, The RAND Corporation 110

Perle, Richard, Resident Fellow, American Enterprise Institute 121

ALLIED PERCEPTIONS OF THE SOVIET THREAT

JANUARY 25, 1990

Nishihara, Dr. Masashi, Professor of International Relations, National Defense Academy of Japan 174

Kaiser, Karl, Director, Research Institute of the German Society for Foreign Affairs 185

de Rose, Ambassador Francois, (Ret.), former French Permanent Representative to NATO 191

Mackintosh, Malcolm, Senior Research Fellow in Soviet Studies, International Institute for Strategic Studies 204

TESTIMONY FROM THE SUBCOMMITTEE ON DEFENSE COOPERATION OF THE NORTH ATLANTIC ASSEMBLY

JANUARY 26, 1990

Roth, Hon. William V., Jr., a U.S. Senator from the State of Delaware 240

Petersen, Peter, Chairman, Subcommittee on Defense Cooperation, NAA 241

Duffy, Patrick, President, North Atlantic Assembly (NAA) 242

Voigt, Karsten, Chairman, Military Committee, North Atlantic Assembly 245

Boucheron, Jean-Michel, Chairman, Defense Committee, French National Assembly, Paris, France, as translated by Alec Toumagan and Eliza Burnham. 255

Page

Implications of Changes in the Soviet Union and Eastern Europe for Western Security

JANUARY 30, 1990

Schlesinger, Dr. James R., former Secretary of Defense, former Secretary of Energy, and former Director of Central Intelligence 286

Implications of Changes in the Soviet union and Eastern Europe for Western Security

FEBRUARY 2, 1990

Jones, Gen. David C., USAF (Ret.), former Chairman, Joint Chiefs of Staff 330
Vessey, Gen. John W., Jr., USA (Ret.), former Chairman, Joint Chiefs of Staff. 332
Crowe, Adm. J. William, Jr., USN (Ret.), former Chairman, Joint Chiefs of Staff 340

Implications of changes in the Soviet Union and Eastern Europe for Western Security

FEBRUARY 6, 1990

Brown, Dr. Harold, Chairman, Johns Hopkins Foreign Policy Institute, School of Advanced International Studies, and former Secretary of Defense 377

Military Strategy and Operational Requirements for NATO Defense

FEBRUARY 7, 1990

Galvin, Gen. John R., USA, Commander in Chief, U.S. European Command..... 413
Kelso, Adm. Frank B., II, USA, Commander in Chief, U.S. Atlantic Command. 420

Military Strategy and Operational Requirements of the Commands Oriented to Pacific Defense

FEBRUARY 8, 1990

Morning Session

Hardisty, Adm. Huntington, USN, Commander in Chief, U.S. Pacific Command 490
Menetrey, Gen. Louis C., USA, Commander, U.S.Forces, Korea 498

Military Strategy and Operational Requirements of the Unified Commands Oriented to Third World Defense and Unconventional Warfare

FEBRUARY 8, 1990

Afternoon Session

Lindsay, Gen. James J., USA, Commander in Chief, U.S. Special Operations Command 578
Schwarzkopf, Gen. H. Norman, USA, Commander in Chief, U.S. Central Command 586
Thurman, Gen. Maxwell R., USA, Commander in Chief, U.S. Southern Command 680

Military Strategy and Operational Requirements for Rapid Reinforcement and Associated Transportation Requirements

FEBRUARY 21, 1990

Burba, Gen. Edwin H., Jr., Commander in Chief, Forces Command 764
Johnson, Gen. Hansford T., USAF, Commander in Chief, U.S. Transportation Command 772

Page

IMPLICATIONS OF CHANGES IN THE SOVIET UNION AND EASTERN EUROPE FOR WESTERN SECURITY

FEBRUARY 22, 1990

Carlucci, Frank, former Secretary of Defense........ 825

OPERATIONAL REQUIREMENTS AND MILITARY STRATEGIES FOR STRATEGIC FORCES

MARCH 7, 1990

Chain, Gen. John T., Jr., U.S. Air Force, Commander in Chief, Strategic Air Command........ 862
Piotrowski, U.S. Air Force, Commander in Chief, U.S. Space Command........ 878

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

TUESDAY, DECEMBER 12, 1989

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

EARLY WARNING TIME IN EUROPE

The committee met, pursuant to notice, at 9:05 a.m. in room SH-216, Hart Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Glenn, Warner, and Cohen.

Committee staff members present: Arnold L. Punaro, staff director; and Richard D. DeBobes, counsel.

Professional staff members present: Robert E. Bayer; Robert G. Bell; Richard E. Combs, Jr.; Richard D. Finn, Jr.; John J. Hamre; William E. Hoehn, Jr.; T. Kirk McConnell; and Norman G. Mosher.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; George W. Lauffer, and John E. Mansfield, professional staff members.

Staff assistants present: Barbara L. Braucht, Lori M. Jackson, Melissa A. Ramsey, and Debra A. Rice.

Committee members' assistants present: Jeffrey B. Subko, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; Milton D. Beach, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terence M. Lynch, assistant to Senator Shelby; Anthony H. Cordesman, assistant to Senator McCain; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

For the last 3 years it has been the practice of the Armed Services Committee to begin our work at the beginning of each session of Congress with a series of policy and strategy hearings. Through these hearings we have tried to understand and analyze some of the fundamental assumptions on which our national security policy, our military strategy and ultimately our defense budgets are based.

At the beginning of 1987 the committee conducted 16 hearings on our national security policy and its military strategy component. In

1988 we focused on NATO strategy. During the past year the committee held a series of hearings on the implications of the reforms in the Soviet Union on the United States and our allied security.

The dramatic changes taking place in Eastern Europe and in U.S.-Soviet relations make it even more important that the committee reexamine some of the basic assumptions underlying our national security policy.

Senator Mitchell recently contacted Senator Pell, Chairman of the Foreign Relations Committee, and myself to request that the Armed Services Committee and Foreign Relations Committee conduct a series of hearings on the implications of the changes in the Soviet Union and Eastern Europe for our foreign and national security policy.

Senator Pell and I both readily agreed to the majority leader's request, and our committees will closely coordinate our hearing efforts over the next several months. We do not anticipate having many joint hearings now, but we will perhaps have some. We will certainly be working very closely together as we did in the INF Treaty a couple of years ago.

Senator Warner and I have discussed this at length, and he fully concurs in these plans.

These hearings are designed to provide a conceptual framework or baseline for Congress' review of the President's foreign policy and national defense budget proposals for fiscal year 1991. I ask unanimous consent that a statement we released on this subject be entered into the record, and it will be without objection.

There are a number of questions which I believe need to be asked by our committee and certainly by the Department of Defense and executive branch over the next several months before we start reviewing the details of the President's fiscal year 1991 and the new five-year defense plan. Just a few of the changes that have occurred certainly are of great interest to us and raise all sorts of questions.

What are the fundamental assumptions of our national security, and what are the changes that have taken place in the last 6 months to a year?

How much change has there been in the Soviet capability, and what is the Soviet threat now based on those changes?

What are the allies' plans in the future, and what are the arms control plans, not only CFE–I but what conceptually are we thinking about in CFE–II?

How reliable are the Soviet Union's Warsaw Pact allies, and what is the nature of the changes that have taken place, of course, in Poland and Hungary, Czechoslovakia, East Germany and Bulgaria, the political changes as well as the military changes?

What are the implications of the German reunification discussions for the security and stability of Europe? That certainly has got to be a major focal point.

How should NATO respond politically, economically and militarily to the changes taking place in the Soviet Union and Eastern Europe?

What changes, if any, should the United States make in our current deployment and capability of our own military forces?

Of course, we will need to be updated on the threats we face in other parts of the world, including Asia, the Persian Gulf and so forth.

Also, we certainly want to know what changes the Soviets have made in their force deployments that would have a bearing on our alliance with the Japanese and also, of course, the threat that the South Koreans face from the North Koreans.

So we have a lot of territory to cover at the beginning of next year.

Mr. Wolfowitz, I am not going to expect you to know the answers to all of those questions today, but I did want to give you a forecast of questions to come.

During these hearings, the committee will hear testimony on key aspects of our national security policy and military strategy from senior officials in the Defense Department, State Department, representatives of the U.S. intelligence community, from U.S. military commanders in the field, from top U.S. military leaders as well as outside experts from the United States, Europe and Japan.

I want to welcome this morning the Under Secretary of Defense for Policy, Mr. Paul Wolfowitz. He is accompanied by witnesses from the Joint Chiefs of Staff and the intelligence community. We will be asking them to address the process by which the Defense Department is assessing changes in the threats to our national security and making adjustments to our military strategy and our defense force structure and budget.

In addition, I have asked Mr. Wolfowitz to address the specific issue of warning time in Europe and its impact on our force structure and force planning. I ask unanimous consent that a November 30 letter from me to Secretary Cheney on this hearing be entered into the record, and it will be without objection.

Recent newspaper articles based on classified information, or at least they appear to have been based on classified information, suggested that the Defense Department has accepted new estimates of the amount of warning time that the United States and our NATO allies would have before a full-scale Soviet attack in Europe. Assumptions about warning time of a possible Soviet attack in Europe are fundamental in terms of equipping and deploying U.S. forces in the United States and Europe.

Changes in the assumptions on warning time can have a very significant impact on our planning and NATO planning to meet and counter the threat, and also it has an immense effect on our overall budget priorities.

So I have asked our witnesses this morning to discuss:

(1) The results of the recent studies on warning time in Europe which were discussed in detail in recent newspaper articles. I hope as much of this can be discussed publicly as possible, particularly in light of the fact that evidently whole reports have been turned over to the media;

(2) The extent to which the revised assumptions about warning time have been accepted by the senior leadership of the Defense Department;

(3) Whether these revised warning times have been adopted by our NATO alliance in terms of force goals and operational planning; and

(4) Whether these revised assumptions are being considered in preparation of the fiscal year 1991-1995 Five Year Defense Plan.

The committee intends to conduct as much of this hearing as possible in open session. We will reserve a brief period at the end of the hearing for discussion of classified issues if necessary, and we will conduct that portion of the hearing in the Intelligence Committee hearing room next door.

I would also like to note that although the members were notified of this hearing about a week ago, the final details were worked out in recent days, and a number of Senators who would like to be here have notified me that they had previous plans, and others who have tried to get here have run into weather problems. So we will not have everyone here who would like to be there.

[The press release and letter to Cheney follow:]

STATEMENT OF SENATE MAJORITY LEADER GEORGE J. MITCHELL, SENATOR CLAIBORNE PELL, CHAIRMAN, FOREIGN RELATIONS COMMITTEE, AND SENATOR SAM NUNN, CHAIRMAN, ARMED SERVICES COMMITTEE REGARDING SENATE HEARINGS ON THE POLICY IMPLICATIONS OF CHANGE IN THE SOVIET UNION AND EASTERN EUROPE

We are pleased to announce today that Chairman Pell of the Senate Foreign Relations Committee and Chairman Nunn of the Senate Armed Services Committee have scheduled the first in a comprehensive series of hearings on the implications of change in the Soviet Union and Eastern Europe for United States foreign and national security policy.

The Armed Services and Foreign Relations Committees routinely begin each session by reassessing those issues critical for congressional review of the President's foreign policy and national defense budget proposals. In light of the rapid pace of political change in Eastern Europe, the emergence of the German unification question, and recent developments in U.S.-Soviet relations, the two Chairmen felt that this review process deserved particular attention and close coordination between the two committees.

Prior to the detailed review of the President's Fiscal Year 1991 Defense budget, Chairman Nunn plans a series of hearings on the implications of the changes in Eastern Europe and the Soviet Union for our national security policy, military strategy, and defense budget. The central question of these hearings will be the extent to which the threat on which our past national security policy, military strategy, and budgets were based is changing. These hearings will attempt to determine how U.S. military strategy, and U.S. defense budgets should be adjusted, the role our allies should play, and will explore the question of the reliability of the Soviet Union's Warsaw Pact allies. The hearings will also examine the basic executive branch documents that are used to define and assess these changes, including the President's National Security Strategy Report, the Department of Defense's Net Assessment, the Five Year Defense Plan, and the Secretary of Defense's Annual Report to the Congress.

Chairman Nunn has invited top defense officials to testify before the Armed Services Committee on December 12. This hearing will focus on revised estimates of warning time for war in Europe and the impact of such revisions on NATO force goals and operational planning and the U.S. defense budget. In subsequent hearings, the committee will hear from representatives of the intelligence community; from U.S. military commanders in the field; from top U.S. military leaders; and from outside experts in the United States and Europe on aspects of our national security strategy.

Chairman Pell has planned a series of hearings on the future of East-West political and economic relations and progress in arms control. On December 13, the Foreign Relations Committee will hear from Secretary of Agriculture Clayton Yeutter and Michael J. Boskin, Chairman of the President's Council of Economic Advisors, on their recent mission to study economic cooperation with Eastern Europe. In January, Secretary of State James Baker has been asked to report on the Malta Summit and administration plans for building a new relationship with the Soviet Union and Eastern Europe. Others asked to testify before the committee include ACDA Director Ronald Lehman, on implementation of the Summit directive to reach early agreement in four arms control negotiations, and U.S. NATO Representative William Howard Taft IV, who will discuss NATO's role in Europe.

Given the significance of developments in Europe and the Soviet Union and their indisputable impact on United States foreign and national security policy, we believe that these complementary series of hearings are timely and appropriate. We look forward to hearing from the administration and outside experts as we prepare to consider the President's foreign policy and defense budgets for fiscal year 1991.

U.S. Senate,
Committee on Armed Services,
Washington, DC, November 30, 1989.

Hon. Richard B. Cheney,
Secretary of Defense,
The Pentagon, Washington, DC.

Dear Mr. Secretary: I was surprised to read recent articles in the Washington Post and the New York Times apparently based on classified information suggesting that the Department has accepted new estimates of the amount of warning that the United States and our NATO allies would have of a full-scale Soviet attack in Europe. Although these articles suggest that the study on which these conclusions are based has been completed for several months,.this study was not brought to the attention of the committee during any of our deliberations this year.

Assumptions about warning time of a possible Soviet attack in Europe are fundamental in terms of equipping and deploying U.S. forces in the United States and Europe. Changes in these assumptions can have a significant effect on our planning and that of NATO to meet and counter this potential threat, and on our budget priorities.

The Committee on Armed Services has long had a continuing interest in the issue of warning time and its impact on our force structure and force planning. Accordingly, I request that you and General Powell testify before the full committee on December 12 at 9:30 am on the results of the recent study on warning time in Europe which was discussed in detail in recent newspaper articles; the extent to which the revised assumptions about warning time have been accepted by the senior leadership of the Defense Department; whether these revised warning times have been adopted by NATO in terms of force goals and operational planning; and whether these revised assumptions are being considered in the preparation of the fiscal year 1991 budget and the fiscal year 1991–1995 Five Year Defense Plan.

The committee intends to conduct as much of this hearing as possible in open session. We will reserve a brief period at the end of the hearing for discussion of any classified issues.

Thank you for your attention to this matter.

Sincerely,

Sam Nunn, *Chairman.*

Chairman Nunn. Senator Warner, before we go into the testimony, do you have any opening statement?

Senator Warner. Thank you, Mr. Chairman. You may just proceed.

Chairman Nunn. Mr. Wolfowitz, I think you have the scope of the hearings now. We are really telling you where we are going in the future, but we would like for you to tell us what your plans are in terms of how you are assessing these changes, what we are doing in terms of threat reassessment, net assessment and how you are going to be able to proceed next year, but particularly, addressing the recent reports that have come out about warning time.

STATEMENT OF PAUL D. WOLFOWITZ, UNDER SECRETARY OF DEFENSE FOR POLICY, ACCOMPANIED BY CHARLES E. ALLEN, NATIONAL INTELLIGENCE OFFICER FOR WARNING, CENTRAL INTELLIGENCE AGENCY; AND LT. GEN. GEORGE L. BUTLER, U.S. AIR FORCE, DIRECTOR, STRATEGY, POLICY AND PLANS FOR THE JOINT STAFF

Mr. Wolfowitz. Thank you, Mr. Chairman. I appreciate the opportunity to be here this morning. I appreciate also your acknowledgement that that long list of questions does not have to be addressed here this morning. I would say they are the right questions, and they are questions that in fact we are working on very actively in different parts of the Defense Department, even as we speak.

My testimony this morning is focused on the question raised in your letter about warning, and some of the related questions raised by the significant changes occurring in the Soviet threat in Europe.

I have a statement, of which I hope you have a copy. There are some small corrections, and we will get a corrected copy up here for the record shortly.

I am going to try to say as much as I can in public to put the issue of warning time into the right context. There are some pretty sensitive matters which, fortunately, have not been handed over to the press. I am not sure who undertook to unilaterally make some of this information available to the press, but there are some very sensitive matters that relate to the subjects about which we are talking, as you know. If necessary, we may ask to address these in a closed session, but I will try to talk as much as I can here in public.

We live in a time when the strategic situation in Europe is changing dramatically. Naturally, a period of great change raises fundamental questions about our old assumptions. However, we should begin by recognizing that the change under way in Eastern Europe and the Soviet Union has been facilitated by the strategy that we and our NATO allies have pursued, a strategy which has demonstrated the futility of the massive Soviet investment in military power during the Brezhnev years.

The combination of NATO's military strength and the strength of its political and economic ideals and principles has brought us to the point where the Soviet leadership has acknowledged the need for fundamental change in its own system. We can see for the first time real potential for a more secure future for Europe.

If, as we hope, these changes come to fruition, we will be able to take advantage of the opportunities that a less threatening Soviet military capability represents.

The timing of our reactions, however, is a delicate question. If we attempt to pocket too quickly the benefits that we anticipate, then we risk undercutting the very strategy that has brought us to the brink of success, and we could lose those potential gains. The challenge to the United States and its allies will be to maintain a coherent national and alliance strategy throughout this period of change, adjusting our strategy appropriately as the world changes, but not basing present strategy on hoped-for future changes, or assuming the irreversibility of changes that may be only temporary.

In that connection, we need to distinguish between what has changed already, and what we expect to change in the future. We expect in the future to see substantial reductions in Soviet military efforts, particularly in the threat to Europe, and we expect to achieve a CFE agreement that, I believe it is no exaggeration to say, will fundamentally change the military map of Europe.

Those changes are still in the future. Soviet military spending is only just beginning to turn down after having grown considerably beyond the very high levels reached at the end of Brezhnev's rule.

We have made remarkable progress toward a CFE agreement, but that work is not yet finished.

One of the things that has changed is our assessment of the amount of warning we could expect to receive of Soviet preparations for an attack on Western Europe. Over the past decade, NATO has substantially improved its conventional readiness and conventional capabilities.

As a consequence, and as the National Intelligence Estimate on warning makes plain, the Soviets will now have to take longer to prepare the forces we believe they would think they need for a successful sustained offensive thrust into Western Europe. As a result of NATO force improvements, the Warsaw Pact would need more forces to do the same job.

Our expectation of greater warning has been reinforced by Soviet unilateral withdrawals from Eastern Europe and by improved intelligence collection capabilities. In short, the trend toward increased preparation time for an all-out Soviet attack on Western Europe is clear, although there still remain Soviet options for a limited attack, with little preparation, for which we must also plan.

Let me stress, however, that the fundamental reason why we expect to have increased warning of Soviet preparation for war is the improvements in our own capabilities and those of our NATO allies. If we were to take this improved warning as a reason to cut back on our own readiness, then we could easily lose the longer warning times. That is why we need to be extremely cautious about changing the planning factors for the amount of warning we assume we will have in developing our plans for NATO reinforcement.

Let me elaborate on that just a little. Our goal is not to build a reinforcement plan that requires the use of all of the warning that we think we would get in the most likely kind of Soviet attack but, rather, to build a plan that denies the Soviets significant military advantages throughout a period of possible buildup.

It is because NATO has improved its capabilities, to the point where an unreinforced attack would be too risky for the Soviets, that we now expect they would take more time to reinforce. If we were to relax our posture too much to take advantage of additional warning, we could end up creating incentives for a Soviet attack to come earlier with less warning.

What we wish to avoid and, in my view this would be the most dangerous situation, would be a scenario in which the Soviet Union believed it could gain a decisive military advantage in a crisis by moving quickly, and that this advantage would disappear later in the crisis. This is what we are trying to avoid by not reducing NATO's capabilities too soon. This is precisely the type of situation that is widely understood to have converted a small crisis in Serbia in 1914 into the conflagration that was World War I.

That is the basic reason we are not now recommending a change in the warning planning factor; i.e., the minimum time we expect to have to send initial air and ground reinforcements to Europe. We intend to revisit this decision as the strategic situation becomes clearer, and particularly in the event a CFE agreement is achieved. However, no matter how much we hope that beneficial change will continue in Eastern and Central Europe, that unilateral reductions will continue as promised by the Soviets, and that a CFE treaty will be negotiated and implemented within the President's timetable, these things are not yet assured.

Having said that, let me say that this does not mean we are ignoring possibilities to take advantage of longer warning if we get it. Even before the new estimate was final we had begun investigating ways to take advantage of longer warning times by seeking measures that would enhance deterrence in a crisis. It would not be understood by the Soviet Union as provocative.

It was precisely such a study, Senator, that was in fact leaked and led to the impression that we were changing our whole warning posture. Let me underscore that what we were looking at were those kinds of limited measures that could be taken to enhance deterrence in a crisis without sending a signal to the Soviet Union that we, ourselves, were preparing for war.

That last condition underscores what I would call the difference between warning as used by the intelligence community and usable warning as it would have to be viewed by a decisionmaker or a planner. A posture that is not overly sensitive to warning can provide us with an insurance policy, particularly against the kind of unpredictable events that we might see in Eastern and Central Europe.

For example, if, as was reported only recently, the Soviet Union were to bring its forces in East Germany to a higher state of readiness, we would not today have to risk taking steps that might be misinterpreted as provocative. Because we have significant forces in place, and because those forces maintain a high level of readiness, we do not have to react quickly with potentially destabilizing moves such as bringing additional forces to Europe, or engaging in large-scale urgent training to raise the readiness of those already in place. That is an important factor for stability.

If this sounds cautious, I will plead guilty. But that does not mean that we do not envision much larger reductions in the threat and, hence, the possibility of much larger adjustments in our own strategic posture as we look 4 or 5 years into the future.

As we look down the road, we see much greater changes in the military environment in Europe. Internal pressure to reduce Soviet defense spending is likely to increase, not decrease. The successful negotiation and implementation of a treaty on conventional armed forces in Europe will create an altogether new military environment, greatly reducing Soviet offensive options and allowing the United States, together with its NATO allies, to shape an effective defense at lower levels.

If during this time we were to see as well the consolidation of democratic regimes in Poland, Hungary, Czechoslovakia, Bulgaria and East Germany, we would have both witnessed and played a vital role in an unprecedented refashioning of the European security landscape.

At the same time, some caution is still in order. We have all seen reports to the effect that we knew months ago that Soviet defense spending was declining. In fact, let me say that at that time back in the spring there was still no evidence that Soviet spending reductions had actually occurred, although we expected they would occur.

Against the backdrop of Soviet spending increases of 3 percent per year during the first 4 years of the Gorbachev period, it was not unreasonable to await firm evidence before making adjustments to our own defense program. This is particularly true since our own defense spending declined 11 percent in real terms over the same period.

What were only possibilities in early 1989 did not justify changes in our defense spending or posture. As the administration has made clear, we are now beginning to see evidence of a decline in Soviet defense efforts. Even so, it is still important to keep in mind the incompleteness and reversibility of many of these changes. The basis for reductions in U.S. and other NATO forces has to be actual reductions in Soviet forces due to a CFE agreement, and Soviet reductions to their own defense budget.

It will take several years for these changes to take place. To the extent that we have to start planning on making cuts in U.S. forces to make the maximum use of scarce resources, we will be planning something, the implementation of which needs to be contingent on strong evidence that the anticipated Soviet reductions are actually being undertaken.

The fact remains that even under a CFE agreement, the Soviet Union will be entitled to forces sufficient to mount an attack on a scale for exceeding those which characterized the forces in World War II. Indeed, the Joint Chiefs and General Galvin's staff as well as our own allies are currently hard at work assessing relative force structure options post-CFE.

It is critical at a time of great change like this that we maintain a prudent hedge against uncertainties. Our strategy of patience and strength has brought us to the verge of a new security arrangement in Europe.

I am sure that everyone would also say that it is incumbent on those who forge western security policy to have the courage to respond to demonstrable changes in the threat.

But, we do live in a time of paradox when precisely the magnitude of the changes which we are seeing introduce a fundamental unpredictability into the situation in Europe.

Paradoxically, these momentous changes in the Soviet Union, in the countries of Eastern Europe, and even in the countries of Western Europe themselves, open up great uncertainties in the future, along with great possibilities.

As an institution, NATO provides an important means of coordinating and implementing such a diverse strategy, and maintaining a structure in Europe that facilitates a process of peaceful change.

NATO remains the one place where North American and European democracies can join in considering the comprehensive management of basic issues that arise from ongoing change in Europe. The United States intends to make full use of NATO for that purpose.

Let me conclude, Mr. Chairman, by saying that the United States must above all play a role as a steadying and guiding influence on the process of change. That is the message we are hearing from our friends in Europe, East and West alike.

We intend to proceed not in fits and starts, but steady and sure in our conviction that we can have both greater stability at lower force levels in Europe, and greater confidence that abrupt shifts in events do not lead to military instabilities along the way.

Our force posture in Europe, as well as the mix of those forces, will change over time as a result of the CFE process, and as a part of the inevitable adjustment that we must all make to the changing strategic relationship between ourselves and the Soviet Union. But it is equally important that these changes occur predictably, and in full consultation with our allies. Thank you for your patience.

[The prepared statement of Mr. Wolfowitz follows:]

Prepared Statement of Under Secretary of Defense Paul D. Wolfowitz

Mr. Chairman, I welcome this opportunity to appear before you to discuss the important question of warning. I am accompanied today by LTG Bulter, Director for Strategy and Planning in the Office of the Joint Chiefs of Staff, and Mr. Charles Allen, the National Intelligence Officer for Warning. I should like to make a brief opening statement before answering your questions.

We live in a time when the strategic situation in Europe is changing dramatically. Naturally, a period of great change raises fundamental questions about our old assumptions. However, we should begin by recognizing that the change underway in Eastern Europe and the Soviet Union has been facilitated by the strategy we and our NATO Allies have pursued—a strategy which has demonstrated the futility of the massive Soviet investment in military power during the Brezhnev years. A combination of NATO's military strength and the strength of its political and economic ideals and principles has brought us to the point where the Soviet leadership is acknowledging the need for fundamental change in their own system. We can see for the first time the real potential for a more secure future for Europe. If, as we hope, these changes come to fruition, we will be able to take advantage of the opportunities that a less threatening Soviet military capability presents. The timing of our reactions, however, is delicate. If we attempt to pocket too quickly the benefits that we anticipate, then we risk undercutting the very strategy that has brought us to the brink of success, and we could lose those potential gains. The challenge for the United States and its Allies will be to maintain a coherent national and alliance strategy throughout this period of change, adjusting our strategy appropriately as the world changes but not basing present strategy on hoped-for future changes or assuming the irreversibility of changes that may be only temporary.

In that connection, we need to distinguish between what has changed already and what we expect to change in the future. We expect in the future to see substantial reductions in Soviet military efforts, particularly in the threat to Europe, and we expect to achieve a CFE agreement that will, in my view—it is no exaggeration to say—fundamentally change the military map of Europe. But those changes are still in the future. Soviet military spending is only just beginning to turn down after growing considerably beyond the peak levels reached at the end of Brezhnev's rule. We have made remarkable progress toward a CFE agreement, but that work is not yet finished.

One of the things that has changed is our assessment of the amount of warning we could expect to receive of Soviet actions preparatory to an attack on Western Europe. Over the past decade, NATO has improved substantially its conventional readiness and capabilities. As a consequence, and as the National Intelligence Estimate on Warning makes plain, the Soviets would now have to take longer to prepare the forces we believe they would think they need for a sustained, successful offensive thrust into Western Europe. As a result of NATO force improvements, the Warsaw Pact would need more forces to do the same job. Our expectation of greater warning has been reinforced by Soviet unilateral withdrawals from Eastern Europe and by improved intelligence collection capabilities. In short, the trend toward increased preparation time for an all-out Soviet attack on Western Europe is clear, though there remain Soviet options for a limited attack with little preparation for which we must also plan.

Let me stress, however, that the fundamental reason why we expect to have increased warning of Soviet preparation for war is the improvements in our own capabilities and those of our NATO allies. If we were to take this improved warning as a reason to cut back our readiness, then we could easily lose the longer warning times. That is why we need to be extremely cautious about changing the planning factors for the amount of warning we assume we will have in developing our plans for NATO reinforcement. Let me elaborate on that just a little.

Our goal is not to build a plan that requires all of the warning that we think we would get in the most likely kind of Soviet attack, but rather to build a plan that denies the Soviets significant military advantages throughout a period of possible build-up. It is because NATO has improved its capabilities to the point that an unreinforced attack would be too risky for the Soviets that we now expect they would take more time to reinforce. If we were to relax our posture too much to take advantage of additional warning, we could end up creating incentives for a Soviet attack to come earlier, with less warning. What we wish to avoid—and in my view the most dangerous situation—would be one in which the Soviet Union believed it could gain a decisive military advantage in a crisis by moving quickly, and that this advantage would disappear later in the crisis. This is what we are trying to avoid by not reducing NATO's capabilities too soon. This is precisely the type of situation that is widely understood to have converted a small crisis in Serbia in 1914 into the First World War.

That is the basic reason we are not now recommending a change in the warning planning factor—that is, the minimum time we might have to send initial air and ground reinforcements to Europe. We intend to revisit this decision as the strategic situation becomes clearer, particularly in the event a CFE agreement is achieved. However, no matter how much we are hopeful that beneficial change will continue in Eastern and Central Europe, that unilateral reductions will continue as promised by the Soviets, and that a CFE treaty will be negotiated and implemented within the President's timetable, these things are not yet assured.

Having said that, let me say this does not mean that we are ignoring possibilities to take advantage of longer warning if we get it. Even before the new estimate was final, we had begun investigating ways of taking advantage of longer warning times by seeking measures that would enhance deterrence in a crisis yet would not be understood by the USSR as provocative. It was precisely such a study that was leaked and gave the impression that we were planning on more warning. That last condition, however, also underscores an important difference between warning and usable warning. A posture that is not overly sensitive to warning can provide an insurance policy against unpredictable events in Eastern and Central Europe. For example, if, as was reported only recently, the Soviet Union were to bring their forces in the GDR to a higher state of readiness, we would not have today to risk taking steps that might be misinterpreted as provocative. Because we have significant forces in place, and because they are kept at significant readiness, we would not have to take provocative steps, such as bringing in additional forces or engaging in large scale, urgent training to raise the readiness of those already in place. That is an important factor for stability.

If this sounds cautious, I plead guilty. But that does not mean we do not envision much larger reductions in the threat, and hence the possibility of much larger adjustments in our own strategic posture, if we look four or five years into the future. As we look down the road, we see much greater changes in the military environment in Europe. Internal pressure to reduce Soviet defense spending is likely to increase. The successful negotiation and implementation of a treaty on Conventional Armed Forces in Europe (CFE) will create an altogether new military environment, greatly reducing Soviet offensive options and allowing the United States together with its NATO Allies to shape an effective defense at lower levels. If, during this same time, we see as well as the consolidation of democratic regimes in Poland, Hungary, Czechoslovakia, Bulgaria and East Germany, we would have both witnessed and played a vital role in an unprecedented refashioning of the European security landscape.

At the same time, some caution is still in order. We have all seen reports that we knew months ago that Soviet defense spending was declining. In fact, let me say that at that time, back in the Spring, there was simply no evidence that Soviet spending reductions had actually occurred. Against the backdrop of annual Soviet spending increases of 3 percent during the first four years of the Gorbachev period, it was not unreasonable to await firm evidence before making adjustments to our own defense program. This is particularly true since our own defense spending declined 11 percent in real terms over the same period. What were only possibilities in early 1989 did not justify changes in our defense spending or posture. As the administration has made clear, we are now beginning to see evidence of a decline in Soviet defense efforts. Even so, it is still important to keep in mind the incompleteness and reversibility of many of these changes. The basis for reductions in U.S. and other NATO forces has to be actual reductions in Soviet forces due to a CFE agreement, and reductions to the Soviet defense budget. It will take several years for these changes to take place. To the extent that we have to start planning on making U.S. cuts to make the maximum use of defense resources, we will be planning something, the implementation of which needs to be contingent on strong evidence that the anticipated Soviet reductions are underway.

The fact remains, however, that even under a CFE agreement, the Soviet Union will be entitled to forces sufficient to mount an attack on a scale far exceeding the forces which characterized the Second World War. Indeed, the Joint Chiefs and General Galvin's staff, as well as our Allies, are currently hard at work assessing relative force structure options post-CFE.

It is critical in a time of great change that we maintain a prudent hedge against uncertainties. Our strategy of patience and strength has brought us to the verge of a new security arrangement in Europe. I'm sure that many of you would say that it is also incumbent on those who forge Western security policy to have the courage to respond to demonstrable changes in the threat. But, we do live in a time of paradox. These momentous changes in the USSR, in the countries of Eastern Europe, and in the countries of Western Europe themselves open great uncertainties for the future as well as great possibilities. As an institution, NATO provides an important means of coordinating and implementing such a diverse strategy, and maintaining a structure in Europe that facilitates the process of peaceful change. It remains the one place where North American and European democracies can join together in considering the comprehensive management of basic issues that arise from ongoing change in Europe. The United States intends to make full use of NATO for that purpose.

Let me conclude, Mr. Chairman, by stating that the United States must above all play a role as a steadying and guiding influence on that process of change. That is the message we are hearing from our friends in Europe—East and West alike. We intend to proceed, not in fits and starts, but steady and sure in our conviction that we can have both greater stability at lower force levels in Europe, and greater confidence that abrupt shifts in events do not lead to military instabilities along the way. Our force posture in Europe, as well as the mix of those forces, will change over time—as a result of the CFE process and as a part of the inevitable adjustment that we must all make to the changing strategic relationship between ourselves and the Soviet Union. But it is equally important that these changes occur predictably and in full consultation with our allies.

Chairman NUNN. Thank you, Mr. Wolfowitz.

General Butler, do you or Mr. Allen have any opening remarks?

General BUTLER. No, sir.

Mr. ALLEN. No, sir.

Chairman NUNN. Mr. Wolfowitz, let me start by getting to the subject of the Washington Post article which I assume was a report of a classified study, but in that Washington Post article—this was within the last 10 days or 2 weeks, and I know you have already referred to it, so you know the one I am talking about. I do not have the date of it, but it said—I will quote from that article—"The intelligence community believes we will have some 33 to 44 days of warning time."

Can you verify that that is either accurate or inaccurate?

Mr. WOLFOWITZ. Let me first, Mr. Chairman, make clear the nature of the document that was reported on in the Post, which was an internal DOD document, not an intelligence assessment. That document basically took its direction from former Secretary Carlucci, who wanted to know this: If we have longer warning time, how might we take advantage of additional warning to improve our readiness during an uncertain period when we see warning indications, but want to react in a way that is nonprovocative?

So, in a sense, the anticipation of greater warning was an assumption going into that study, and not a product of the study.

Chairman NUNN. So, the study was not focused on how much warning time we are supposed to have?

Mr. WOLFOWITZ. No, it was focused on how to take advantage of longer warning if we should get it.

Chairman NUNN. Where did that assumption of a longer warning come from?

Mr. WOLFOWITZ. That has come from a variety of indications that we have been acquiring over the last——

Chairman NUNN. But it was not just drawn out of the air?

Mr. WOLFOWITZ. No, it was not just drawn out of the air. In fact, those indications led to an intelligence community assessment of warning which was completed only last month, I believe, and which did, in fact, lead to judgments that we would have longer warning.

But, to get into detail about the precise time lines, is something we would have to do in closed session.

Chairman NUNN. Let us stay away from the details of it, but let me get to the procedure of it then.

What I would like to know is when did the intelligence community conclude that our warning time needed to be expanded, that we had more warning time than we had originally thought we had. When was that conclusion reached?

Mr. WOLFOWITZ. I believe that conclusion was reached in the middle of November. Is that correct, Charlie?

Mr. ALLEN. We completed an estimate on warning at the end of September, sir.

Chairman NUNN. At the end of September of what year?

Mr. ALLEN. 1989, sir.

Chairman NUNN. When did you start that study? I know it is a continuous thing to assert and agree, but that study had to be started at some point.

Mr. ALLEN. We put it on our production plan in 1988, and we began the drafting in May of 1989.

Chairman NUNN. So, it was underway then, about 9 months to a year, is that about right?

Mr. ALLEN. Well, the actual drafting was only about 3 months, and coordination occurred in August and final approval at the end of September, 1989.

Chairman NUNN. Now, I assume what you're saying is a part of the information in that study, which was not finalized until September of 1989, was plugged in as an assumption on the other study that related to reacting to warning time and what the effect of warning time was.

Was that assumption in that Washington Post report plugged in from the study Mr. Allen is now alluding to?

Mr. WOLFOWITZ. Not from the study, but it was plugged in from the same kind of evidence that led to the study Mr. Allen is talking about.

In other words, people were beginning to get indications that we might observe very early stages of a Soviet buildup, and the question Secretary Carlucci asked, I presume, was "If we observe those things, but are unsure about what they mean, how could we take advantage of the warning in a way that is non-provocative?"

Chairman NUNN. So, what you can say and have said here today is that now the intelligence community has agreed, I assume, on the fact that we now have a longer warning, substantially longer warning period before any attack would occur in Central Europe. Is that a fair assessment?

Mr. ALLEN. I cannot comment in public session on the findings of the estimate. I can only refer to what Secretary Wolfowitz has already said in relation to his opening statement.

Chairman NUNN. Well, I thought that is what he just said.

Mr. ALLEN. Yes, he said that, yes, sir. But beyond that, the content, and how we derived warning times, the data on which we based those warning times gets us into a classified environment.

Chairman NUNN. Well, Mr. Allen, how much damage is done by the leak in the paper that went into those details and gave a specific number of days?

Mr. ALLEN. There were some details to which we are assessing the damage. I view it as serious, potentially serious, to sources and methods.

Chairman NUNN. Mr. Wolfowitz, are you all undertaking any kind of examination as to how that was turned over?

Mr. WOLFOWITZ. We have an investigation underway. We are very concerned about that leak, Senator.

Chairman NUNN. Let me go on to the unclassified part of that, one of the few parts of that study, and we do have a copy of it now. We did not before, but we do now.

The unclassified paragraph states, "The intelligence assessments used for this study were all completed well before the Gorbachev statement that he intended to withdraw six tank divisions and 5,000 tanks from Eastern Europe."

That was unclassified. Is that correct, Mr. Allen? Can you verify that?

Mr. ALLEN. There were studies completed on which we drew in drafting the estimate which were important building blocks, yes.

Chairman NUNN. So, I am asking you, though, was this assessment made before Mr. Gorbachev announced he intended to withdraw six tank divisions and 5,000 tanks from Eastern Europe?

Mr. ALLEN. There was no official National Foreign Intelligence Board approval of a new warning estimate until the end of September. There was not an official document representing the views of the director and the intelligence community.

Chairman NUNN. But my question is whether you can say this is accurate or not. Let me read it to you again. It says, "The intelligence assessments used for this study were all completed well before the Gorbachev statement that he intended to withdraw six tank divisions and 5,000 tanks from Eastern Europe."

My question to you is, is that an accurate statement?

Mr. ALLEN. That is an accurate statement. We drew on previous studies, but we also looked, of course, into the future in the estimate to some degree, too, to the next year or so.

Chairman NUNN. Well, in other words, the intelligence assessments of longer warning time then had to be completed before December 7, 1988, because that is when he made his announcement?

Mr. ALLEN. I will say that the overall judgments on specific warning times were not officially approved until September following intense coordination in August where there was intense debate. So, I would say that that unclassified statement overstates the degree there was consensus.

There was very intense debate over warning times.

Chairman NUNN. So, the only thing we have got that we can talk about in public is not accurate?

Mr. ALLEN. I do not think it reflects the total story of the preparation and the coordination process.

Chairman NUNN. Well, here is the point. We do not get a copy of the study. It leaks out in the paper. We heard nothing about it during the budget deliberations last year.

The study itself has an unclassified statement that says it was completed before Mr. Gorbachev made his announcements, which was December 7, 1988, and here we are a year later, and we still cannot even talk about it, and we never have even received it officially and would not have had it without the leak in the paper.

Now, this is fundamental business, gentlemen. The warning time drives strategies. Strategy drives budgets. So, I am asking you now if we got this kind of performance based on the last 12 months, what can we expect with the changes that have taken place over the last few months? Are we going to be sitting here about 1993 and finding out the assessment in 1993 of what has transpired in Eastern Europe in 1989?

Mr. WOLFOWITZ. Senator, first of all, there is a difference between what this document refers to as intelligence assessments, and the kind of agreed community assessment that went into the paper that was concluded in September.

This was not a paper that attempted to represent agreed intelligence community views, and it did not, but it said it was trying to get ahead of the power curve, and not wait until every "i" was dotted and every "t" was crossed to begin thinking about what the implications were.

I do not believe it has been any secret that we have anticipated improvements in warning time. I cannot give you chapter and verse, but I can certainly recall testimony in which people have said we think, as a result of a number of changes, including the Soviet unilateral withdrawals, that we will have greater warning of an attack. And I know specifically that when I have been asked what is the significance of the Soviet withdrawals, I have said it reinforces an impression we already have.

Chairman NUNN. There is no doubt about that, but this study was done before those announced unilateral withdrawals.

Mr. WOLFOWITZ. That was the impression we already had even before the withdrawals, that we would get more warning of a Soviet attack. In fact, we undertook a study within DOD, and on the sort of scale that certainly made it no secret that one of the two major planning studies Secretary Cheney requested, as part of the Defense Planning Guidance, was a study on warning and its implications for strategy. As a result, the DOD leadership urged the intelligence community to please hurry up and finish the NIE so that we could, in fact, have an agreed basis for making a reassessment.

So, there has not been any attempt to be secretive about this. There has been an attempt to get ahead of the power curve, and to start thinking before every last bit of agreement was achieved, but there is also the process that the community goes through to come to an agreed assessment.

Chairman **Nunn**. Well, I will come back to it, but in January and February of 1988 we had hearings on the INF Treaty. At that time Senator Quayle asked General Galvin—quoting this—this is General Galvin, head of U.S. forces in NATO—quoting then-Senator Quayle, ". . . My question is since 1967 when we adopted flexible response as a strategy, has the conventional imbalance gotten worse or gotten better?"

General Galvin's reply: "It has gotten somewhat worse. . . ." That was in 1988.

I asked General Vuono, head of the U.S. Army, February 3rd, and 4th, hearings—this is my quote—"I would like to get your views, particularly, General Vuono, your view, relating to the conventional trends in Europe over the last 20 years.

"Yesterday General Galvin was asked whether the conventional force trends in Europe have improved or grown worse since 1980, and he said they have grown worse. Do you agree with that? I am talking about relative balance now, not simply improvement, but relative, NATO to Warsaw Pact."

General Vuono replied, "I would agree with that, Mr. Chairman, although we have made, I think, some great strides within our own conventional capabilities. They have not been as significant as I would like to have seen them in comparison to the Soviet Union."

So, we have in 1988 basically the top military people telling us the trends have gotten worse. So, I am not trying to rehash history here, but I am trying to see where we are going.

Let me ask this question and then I will defer to Senator Warner. How long—and I am not talking about the content, but how long is it going to take us to plug these recent changes into our national intelligence estimates and our threat assessment and our net assessment and our strategy and our budget? And that is what we have to deal with here, the budget, and we will be dealing with it in January.

How long is it going to take the Defense Department and the intelligence community to plug these changes in so that when we are asking you questions about the budget in January, February and March of 1990, we are confident that we are up to date? Will you be ready then?

Mr. **Wolfowitz**. Senator, it depends on which changes we are talking about. We could do some of it a lot faster if we could get the Soviets to be more forthcoming about what their own plans are. We are trying to do a lot of guessing here about where they are heading in the future, and if we did not have to guess it would be a lot easier.

On the positive side, however, one of the things that CFE provides, I believe, is a framework to start planning on where we will be 3 or 4 years from now, something that we have not had in the past. One could argue that even that is risky because the agreement is not yet wrapped up, and there is a philosophy that says if you start to plan on the basis of an agreement, you may lose the leverage that you need to get it.

I think, in fact, that we are heading into an era where the CFE process is basically going to have to provide the planning framework for where we are in the future. It is very helpful.

I think we are already working on how much to factor warning and improved warning into our planning and budgeting, but for the reasons that I have given you, I do not see major gains to be made from the amount of increased warning that we are seeing right now.

To take the crudest example, if we were to say that because of this additional warning we could forget about our M+10 reinforcement requirement, and essentially forget about airlift and get everything to Europe by sea, the next warning estimate would take that time of warning down to 10 or 14 days.

The point I tried to make in my opening statement was that the reason we have more warning time is that we have succeeded in building up our reinforcement capability to get our forces to Europe more quickly, and if we relax that we may find we lose the warning time.

What will make a much bigger difference in terms of warning and quite a few other things are actual force reductions, and CFE is going to produce some very large actual reductions.

Chairman NUNN. Mr. Wolfowitz, can you say whether the December 1988 intelligence assessments, which we have established were basically made before then, even though they were not finalized until 1989, that they were used and taken into account in preparing the budget that we have passed this year?

Mr. WOLFOWITZ. I believe they were. Obviously, when you get down to the question of the overall significance of a particular change, different individuals are going to weigh it in different ways. I cannot answer for every person who has come up here and testified, but you referred to some comments earlier.

I think there is a paradox here. On the one hand, our early capability against the Soviet Union has improved. I do not know if General Vuono or General Rogers, in early 1988, would have agreed with that then. I suspect they would agree with it today.

Chairman NUNN. That was General Galvin then.

Mr. WOLFOWITZ. On the other hand, the total size of the Soviet threat has increased relative to NATO beyond what it was at the time Gorbachev came into power. The Soviet military is bigger now than it has ever been, and I believe it is bigger relative to NATO than it has ever been. It does not reach that point until after a considerable period of mobilization. So depending on what period in the crisis you are talking about, the threat may be relatively improved or relatively worse.

What we would like to see is a situation where it is relatively lower throughout any possible crisis.

Chairman NUNN. I hope we can be assured in the coming weeks that what we have when we come here to deliberate next year's budget will be an up-to-date net assessment, an up-to-date intelligence assessment, and up-to-date strategy based on that, and a budget that reflects both the threat assessment and the strategy; otherwise, we are just out here deliberating on a $295 to $300 billion budget without having taken into account the real world.

That will make our job on the floor of the Senate almost impossible, and I am sure our counterparts in the House would say the same thing. To try to go out on the floor and defend a budget that is not based on current developments in the world is, in this atmosphere, going to be very difficult.

Mr. Wolfowitz. Senator, I would venture that you will have a budget that is not only based on current, up-to-date information, but which attempts as best we can to anticipate a far bigger change beyond the present.

Let me emphasize that we are in a period of very rapid change, and whatever is current and accurate today is going to be quickly overtaken by events. It is going to be a tricky matter to get our timing exactly right, so that we do not lag too far behind events but, on the other hand, do not undermine the process by over-anticipating events.

Chairman Nunn. I understand the difficulty, but we are talking about a situation where we are just finding out about basic intelligence information that was arrived at in December 1988 that is pretty fundamental. Senator Warner.

Senator Warner. Mr. Chairman, I join you in asking for a closer degree of cooperation on a real time basis.

Coincidentally, the group here this morning on this committee are also on the Intelligence Committee and, as such, we have access to these documents which go into your budget formulation.

The bottom line around here is credibility that the Chairman, I and other members of this committee have with our colleagues in the Senate. When we go to the floor in a persuasive way to gain support for the President's budget request, we have to speak to our colleagues and, indeed, to others who are following the budget process in a manner that attaches credibility to our remarks and representations.

If after persuading the Senate to go along we find out that the information we were given is not timely and, indeed, that circumstances have changed it, it erodes our credibility and our basis to support the President's budget process.

Let me go to a couple of particular questions. I have had the opportunity here in the last 10 days to go through Eastern Europe to Czechoslovakia and East Berlin with the Arms Control Observers Group. It is interesting, particularly in Prague. We talked to some young people, and their families were divided in this thing. Part of the young members of the family were marching in the streets. Other members of the family were serving in the armed forces. I find it very difficult to believe that the effectiveness of those forces remains very high, that is, the Warsaw Pact forces composed of, for example, East German citizens, Czechoslovak citizens, Polish citizens.

In your threat assessment, how are you going to evaluate the effectiveness of that component of the Warsaw Pact forces represented by the young people of those nations whose brothers and sisters are now marching in the streets for the cause of freedom and democracy?

Mr. Wolfowitz. I think one of the significant strategic changes that is taking place even faster than we anticipated has been, the reduction in military capability of the non-Soviet Warsaw Pact armies, not only for the reason that you just mentioned, Senator, but also in ways that are, in a sense, perhaps more tangible and harder to reverse.

The Poles, I believe, have demobilized a significant fraction of their army. They have reduced a very significant fraction of their tank forces. We see some of these trends in other East European countries.

Clearly, the contribution that the non-Soviet allies make to the Warsaw Pact threat has to be considered lower now than it has been in the past. Let me say two things, however: Number one, it is the Soviet army that is the most important part of that threat. Number two, when it comes to putting together our own forces and our own strategy, we have for our own reasons been unable to match the Soviets and the Warsaw Pact as they built up capabilities. So every loss of a tank division on the Soviet side does not mean a gain that we can pocket. It may mean, in fact, a lower level of risk in a posture that we might want to leave more or less the same, that is, without making a corresponding reduction in our own forces.

Senator **Warner**. Gorbachev has taken both sides of the issue about the Warsaw Pact in the sense that one time he said he wants to keep it, and another time he talks about dissolution. I think that with regard to Malta, he now wants to keep the Warsaw Pact and thereby allow us to continue to support NATO. I think it is essential that we continue to support NATO.

What is the likelihood, given the deterioration of the non-Soviet forces in Warsaw Pact nations, of his just dissolving the Pact as a strategy to put pressure on NATO and simply making bilateral arrangements with the various nations, Poland, Hungary, Czechoslovakia, to enable him to remain there with his forces and have his lines of communication open, yet have this trump card of saying just prior to the June summit, "I have dissolved the Warsaw Pact forces, now let us see what you are going to do in terms of reducing NATO?"

Mr. **Wolfowitz**. I think the fundamental point is that NATO and the Warsaw Pact are not equivalents. NATO is an alliance of sovereign states. We are in the NATO countries by invitation of our allies, and the NATO military posture is not a threat to anyone.

I think what we are seeing, in fact, is a tacit and sometimes even explicit admission by the Soviets themselves, that NATO does not pose an offensive threat to the East. I think we are achieving an understanding among our allies that no matter what happens in the East, while NATO may be able to go to much lower levels of forces, and may be able to change significantly our whole character, the basic structure of NATO is going to continue to be relevant.

I think if the kinds of developments you describe take place, it could significantly enhance security in Europe, but on the condition that Western Europe, with American participation, maintains the basic collective security structure that NATO has provided.

Senator **Warner**. Well, I certainly hope we can follow through with that policy. NATO is essential, and where we are today is in large part because of NATO.

Mr. **Wolfowitz**. I agree strongly with you, Senator. We are going to have to work hard, I think, to make sure that that is the view that prevails.

Senator **WARNER**. It was interesting to note that the four ambassadors of the United States, Soviet Union, France and Great Britain met in Germany recently in connection with the agreements in the aftermath of World War II regarding the division of Germany.

Could you summarize briefly what those agreements are and the extent to which the four powers are going to adhere to them as this question of German reunification proceeds?

Mr. **WOLFOWITZ**. That is a terribly important question, and for that reason I am going to give you a general answer and get back to you with something more for the record, if I might, because I do not want to get any of the details wrong.

Basically, I would say, as President Bush said when he spoke to the NATO allies last Monday after Malta, that the commitments and responsibilities of the four powers are an essential part of what has got to be worked out in any ultimate security arrangements for Europe. I know that to some extent this arrangement is a holdover from World War II but it is one which involves some important responsibilities that have got to be clear. We are seeing that right now today in Berlin.

Let me, if I may, give you a more detailed answer for the record.

[The information referred to follows:]

ALLIED RIGHTS AND RESPONSIBILITIES ON GERMANY

The agreements in question will serve as a framework in developing the U.S. approach to German reunification. In 1945, with the unconditional surrender of the German Armed Forces, the United States, UK, France and the Soviet Union assumed supreme authority with regard to Germany. On April 8, 1949, the Allied Military Governors Jointly proclaimed an "Occupation Statute" designed to give the German Federal and Laender Governments "full legislative, executive and judicial powers" to be exercised in accordance with the basic law (the FRG's provisional constitution) and the Laender (States) Constitutions. The Occupation Statute provided, however, that the allies would continue to exercise power in certain specified areas, including foreign affairs and trade. The Occupation Statute entered into force on September 21, 1949, the same day on which the FRG's first Federal Government assumed office. The allies exercised their authority under the Occupation Statute not through Military Governors but through a newly established Allied High Commission. The "Bonn Accords" were signed in Bonn in 1952, amended in Paris in 1954, and entered into force on May 5, 1955. The accords consisted of several related treaties, the most important of which was the convention on relations between the three powers and the Federal Republic of Germany. Article 1 of the convention on relations provided for the termination of the Occupation Regime in the FRG, the revocation of the Occupation Statute, and the abolishment of the Allied High Commission. The article declared that the FRG would henceforth have "the full authority of a sovereign state over its internal and external affairs." However, the convention on relations and related documents provided at the same time for the retention by the allies of certain of their rights and responsibilities. In a Tripartite Agreement which entered into force also on May 5, 1955, the allies agreed to exercise their retained rights through their respective Chiefs of Mission accredited to the FRG. A further step in the process by which the allies gradually relinquished their powers took place in 1968. The convention on relations (Article 5, paragraph 2) provided that among the rights retained by the allies were those relating to the protection of the security of their Armed Forces in the FRG.

Senator **WARNER**. Fine. I foresee a collision course coming quickly on the residuals of those agreements and the desire within the German nation to reunify, and I would hope that you could clarify that and we could follow it carefully.

Mr. **WOLFOWITZ**. I do not think it has to be a collision at all, Senator.

Senator **WARNER**. Well, it may not, but it could well be.

Mr. **Wolfowitz**. In fact, I would note that after President Bush spoke, the first person to respond and to welcome his comments was Chancellor Kohl himself.

Senator **Warner**. Given that we are going to have some reductions in the Armed Forces and are planning the budget, how do you recommend to the Secretary of Defense that those forces be restructured?

From a personal opinion here, I think we ought to emphasize mobility both at sea and in the air, the ability to continue our concept of forward deployment, but the forces at home have to be in a posture that they can be moved quickly in terms of reinforcements.

I guess my bottom line question is: are we going to continue this basic one-third/one-third/one-third for the military departments, or are we going to seize this opportunity at long last to reexamine roles and missions and to allocate among the military departments more directly in line with a future strategy predicated on, I would think, greater mobility?

Mr. **Wolfowitz**. I think the short answer, Senator, is that you are looking at revisiting a great many fundamental assumptions that you have just mentioned. I think when Secretary Cheney comes up here to present the 1991 budget, he is going to have some things to say, not only about how those changes may be ones we want to reflect in 1991, but even more importantly, how we want to build toward those changes during the next 6 year defense program, which we will start reviewing this spring.

But, in fact, we are working right now on the guidance to the services for developing those programs, and that guidance addresses precisely the kinds of issues that you talk about.

I would note that there is a lot of logic in the personal opinion that you expressed. But, on the other hand, if we look at forces specifically designed for Europe, if we look at the trends already apparent in terms of warning time, and then if we add into it the way in which a CFE agreement will further slow the time lines for Soviet buildup, I think, in the case of Europe, that we're looking at the possibility of having at least some of our reinforcements for Europe arrive more slowly, and perhaps even the possibility of lower readiness.

Senator **Warner**. Mr. Secretary, Europe indeed is important. But we are a global power, and our threat is a composite of many situations, not just Europe.

I'm sure you're well aware of that. We have the terrorism issue, which has not subsided. We have the Third World contigencies, which could grow on us. And, therefore, as we reconfigure the Armed Forces of the United States, Europe is important. But, indeed, we have to take into consideration 360 degrees of threat focused on this Nation and those of our allies.

My last question, Mr. Chairman, would be the extent to which the Secretary could advise us on the issue of German reunification.

It would seem to me that it would be essential that whatever is the final result, certainly West Germany, or the residual, or however you characterize it, has to be a major component and player in NATO. We simply cannot let that nation join and then disappear as a valuable partner in the overall strategic balance in Europe.

What are some of the parameters in which you think the reunification could take place and, at the same time, Germany remain a valuable partner of NATO?

Mr. **Wolfowitz**. Senator, let me just emphasize that, not only do I agree with you, but, more importantly, President Bush agrees with you and he made precisely that point when he spoke to the North Atlantic Council last week.

I think, having said that, that to start speculating about what precise forms reunification would take, when we're talking about a process whose shape is still not clear, would indeed be very premature. And, in fact, I think the emphasis right now, today, has to be on how to insure that East Germany moves on to a democratic course, because that is really the precondition for everything else.

Senator **Warner**. Mr. Secretary, I wish I had the quote in front of us. But some famous person, when he turned to another individual, said I've got to leave now because the crowd is getting out in front of me and I'm the leader of the crowd.

I'll see if I can reconstruct that for the record.

Mr. **Wolfowitz**. That was de Tocqueville speaking about the 1848 revolutions.

Senator **Warner**. That's got to be it.

But the point is if you pick up the paper this morning, the question of reunification is moving along at a rapid pace. And we cannot just sit back and slowly calculate this. I think we have to move out and establish for those persons how, under the concept of free elections in both East and West Germany, we would hope that they would bring about their desired result. Free peoples, desiring to get together, will eventually get together.

I think the earlier we set out those parameters, the better.

Mr. **Wolfowitz**. That was precisely the spirit in which President Bush laid down his parameters in the North Atlantic Council, one of which was Germany's continued commitment to NATO. But the more detail you go into, the more you start to create the possibility that I think you were concerned about, with the Four Power Agreement, that, instead of facilitating the process, we end up throwing all kinds of obstacles in the way.

So I think you want those parameters to cover as much as is absolutely essential, and leave the rest to the German people to decide.

Chairman **Nunn**. Thank you, Senator Warner. Senator Glenn.

Senator **Glenn**. No questions at this time. Thank you.

Chairman **Nunn**. Senator Cohen.

Senator **Cohen**. Mr. Wolfowitz, was this DOD report available in a printed form, a document form, to any of the committees on the Hill?

Mr. **Wolfowitz**. Do you mean was it actually made available?

Senator **Cohen**. Yes.

Mr. **Wolfowitz**. Not that I'm aware of.

Senator **Cohen**. I just wanted to be certain of that because from time to time, the finger of accusation has always pointed to Capitol Hill about leaks of classified information. I think it ought to be clear that this document was never presented to any committee on the Hill.

Mr. **Wolfowitz**. I'm happy to be clear about that.

I wish I could be as absolutely certain that it didn't leak from anywhere in our building. I would be dismayed if it had. As I told Senator Nunn, we are investigating right now to try to see if we can find the source of it.

Senator COHEN. Does the Office of Management and Budget have access to the document?

Mr. WOLFOWITZ. If you want me to check the distribution, I could. It's the kind of document that, in fact, did get fairly wide distribution in the executive branch.

Senator COHEN. Well, it's only of curiosity because of the question that has been raised. Was the document deliberately leaked to support OMB's decision within the administration to cut the defense spending rather substantially, or was it leaked by the Department of Defense in order to preemptively justify the cuts that were going to be recommended?

Mr. WOLFOWITZ. My view does not support either conclusion.

But I despair of figuring out the motives of somebody leaking this, Senator.

Senator COHEN. Talking about warning time, I think that what you were suggesting was from the time the Soviet Union would mobilize to the time of a potential attack, somewhere along that spectrum, depending upon what the U.S. response is, we would have either more advance notice or the Soviets would delay the point of attack.

So you were predicting, I think, the warning time, based upon U.S. responses to Soviet mobilization.

Mr. WOLFOWITZ. No.

Senator COHEN. That's what I thought you were saying, that we have more warning time today because of greater NATO capabilities, and, therefore, since we have greater capabilities in the way we have structured our forces, therefore we would have greater warning time.

Am I wrong in that?

Mr. WOLFOWITZ. You heard me correctly. But let me explain exactly why it works that way.

The warning time that's being talked about, on its face, appears to have nothing to do with NATO capabilities. It is simply the time from when we expect we would first see indications of Soviet preparation for attack, to the time that the attack might actually occur.

But the major reason for the revision in the assumptions is that we now think that the Soviets would wait longer, and build up their forces more, because they think that the opposition would be more formidable.

Am I clear now?

Senator COHEN. Well, I thought that's what I said, that we have, along that spectrum between mobilization and attack, the time is stretched out——

Mr. WOLFOWITZ. Okay. I'm sorry.

Senator COHEN [continuing]. Because the Soviets now look at our capability and, therefore, have decided they can't mobilize too rapidly.

Mr. WOLFOWITZ. Then I didn't hear you clearly.

The answer is yes, then. Sorry.

Senator COHEN. So, it has been in part not only to Soviet changes but also in terms of U.S. and NATO capability enhancements? It's a change.

Mr. WOLFOWITZ. I would say primarily for that reason.

Senator COHEN. More so than Soviet force deployments? More so, perhaps, than Soviet force readiness?

Mr. WOLFOWITZ. More so than improvements in intelligence collection, although that's part of the picture also.

Senator COHEN. Well, I raise this because the entire issue about a longer warning time calls into question the rationale. Do we need, for example, a C-17 transport plane, a very expensive piece of equipment?

Do we need to place a continued emphasis upon fast sealift, as we have in recent years?

As I understand it, what you would say is it's by virtue of the availability of these new systems, or the potential availability, that we now have a greater chance for stability vis-a-vis the Soviet Union, and that we are now more or less locked into continuing these systems for the foreseeable future. Otherwise, we would find ourselves, if you look at your rationale, we would find ourselves back to where we were with a shorter warning because, if you didn't have the fast sealift and you didn't have the reinforcement capability of the C-17, that changes the equation again.

Now the Soviets are in a position to have a shorter period of time between mobilization and attack because the West has less capability.

Mr. WOLFOWITZ. I wouldn't agree with "locked in." But, yes, if that were the only change that were going to take place, then I would tend to agree with the basic thrust.

But the fact is that we expect change even beyond that, and that may alter some of our assumptions about the requirements for fast sealift or airlift to Europe.

I would emphasize, however, that the kind of forces that Senator Warner was talking about to send to places other than Europe may require the C-17, for example. That's the kind of question we are, in fact, evaluating right now.

Senator COHEN. I raise the issue because, as we go through our budget deliberations, I can foresee the debate and the argument being predicated just in that fashion: since we have longer warning, we don't need as much in the way of rapid reinforcement, certainly to Europe; therefore, we can either stretch out, delay, or indeed cancel some of these systems. Then the administration will come back and say wait a minute. If we do that, we're back to pre-1988, in which we have a shorter warning time by virtue of our inability to reinforce in such a rapid way.

So we're caught in that Catch 22 in terms of budgeting.

Senator Nunn was talking about warning time driving strategy, and strategy driving budget. And here we are, with our budget coming up next February or March, whenever.

Mr. WOLFOWITZ. Well, I wouldn't call it a Catch 22. I would say NATO strategy is succeeding, and that by improving our ability to reinforce quickly, we are significantly lowering the risk in Europe.

Now, whether we can then exploit that in budget terms, without falling back into the same old bad situation, is a tricky question.

Senator COHEN. I understand. But it comes back to the question how long. The question will be how long must we maintain the same level of support for the NATO alliance at these levels if, in fact, the warning time is longer; that the risk is less.

Or do we find ourselves right up against the argument saying the moment you start changing the programs to affect the strategy, then we're back to a more dangerous, destabilizing situation.

So, are we locked in? How long are we locked into the current program?

That is something that we are inevitably going to debate.

Mr. WOLFOWITZ. Senator, if we were in a world where the only thing that was changing was warning time, for the reasons we have discussed, I would tend to say that our increased warning is an improvement that we have achieved in the balance, and we should hang on to it.

But, in fact, we are not in that world. We are in a world where we expect a great deal more positive change. And I think the combination of all those changes will allow us to revisit fundamental assumptions about how fast we have to reinforce.

Senator COHEN. Will it be the Defense Department's position that, as you have indicated just a moment ago, that we ought to be not totally preoccupied but primarily preoccupied with NATO, in terms of our force structure, that we still remain an island nation, that we still have many trouble spots in the world, that we're still going to have highly mobile forces and the likelihood is that we're going to have to have more sea-based, sea-oriented forces, with a loss of troops in various parts of the world, land-based troops, so that we have a continuation of many of the programs for purposes other than NATO?

Mr. WOLFOWITZ. Outside of NATO, unfortunately, we can't see the same kind of reduction in threat that we expect to see in Europe. And, in fact, in some cases one sees an increased threat.

However, it is a fact that the largest share of our defense budget goes into our efforts related to Europe. And, I suspect, even in a radically restructured European security arrangement, we'll still find a very large share of our defense efforts going to NATO. But the relative share, the proportionate share, going to non-NATO areas I believe is going to be larger.

Senator COHEN. This may be a matter of some dispute in terms of the availability of this information to committees on the Hill, but I am informed that members of the Intelligence staff have had access to at least the intelligence community's assessment, or changing assessments, of warning time for the past year or two. Whether or not that has ever percolated up in the form of a National Intelligence Estimate is doubtful. I don't think it has.

But there has been information in fact communicated to the staff members of the Intelligence Committee for the past year or better.

Mr. ALLEN. This is correct, sir.

Senator COHEN. That's all I have for now, Mr. Chairman.

Mr. WOLFOWITZ. I appreciate your saying that, Senator.

There really has been no attempt to hide this. And, in fact, the kind of document that we're talking about here, in the age of the Xerox machine, is the sort that probably is readily available to people with clearances. Unfortunately, it seems to be a little too available to people without them.

Chairman NUNN. Let me clarify any indication on the hiding.

I am not in any way indicating that I think somebody has secretly stowed this away. What I'm worried about is the bureaucratic delays in trying to get a National Intelligence Estimate first of all done and agreed to, and then, what I'm saying is plugged into the defense budget and the strategy.

I think that the indications are that the time lag here is such that the changes we see occurring now, if we repeat this past performance, are not going to be plugged into our real budget planning for another 2 years.

That's what bothers me.

Somebody has a real challenge to tackle.

Mr. WOLFOWITZ. That's a fair point.

But I guess I would also point out that because the process of getting the intelligence estimate is sometimes a slow one, we don't always wait until it is completed to look at what we think are going to be the results, and start looking at some possible conclusions.

That was precisely what Secretary Carlucci did. Also, when we did the National Strategy Review back in the spring, we, in fact, considered what might be the budgetary gains from relaxing our warning assumptions. The basic conclusion was that a small relaxation isn't going to get you very much, and a larger relaxation is going to get you into exactly the problem Senator Cohen was talking about.

So we don't wait for every "i" to be dotted and every "t" to be crossed to take account of these things. But your point about the process being a slow one is fair, and we've tried to kick it along ourselves.

Chairman NUNN. If Senator Glenn would just yield for one point.

Senator GLENN. Sure.

Chairman NUNN. You say in point five of your testimony, quoting you, "That is the basic reason we are not now recommending a change in the warning planning factor, that is, the minimum time we might have to send initial air and ground reinforcements to Europe." You go on to say, "We intend to revisit this decision as the strategic situation becomes clearer, particularly in the event a CFE agreement is achieved."

So you are basically saying we are not changing the threat assessment based on this warning time increase.

Is that what you're saying?

Mr. WOLFOWITZ. That's correct.

Chairman NUNN. OK.

If you are not doing that, how is Secretary Cheney announcing that we are going to have substantial budget cuts based on a reduced threat?

Mr. WOLFOWITZ. Because of what I said.

I think the much more substantial reduction in the threat is what's going to come as a result of a CFE agreement, which is going to eliminate 30,000 Warsaw Pact tanks.

Chairman NUNN. So he is recommending budget cuts this year based on an anticipated outcome of the CFE agreement at the end of next year.

Is that right?

Mr. WOLFOWITZ. Let me try to state it as well as I can. There have been a lot of press stories about defense budget cuts. What we have been doing in DOD, is basically to take the view that if we see an environment out in 1994, where we can have significantly reduced forces, then we ought to think today about what that environment is going to look like, look at what the changes would be, and think about backing some of those changes into the present, so that we do not spend money today on capabilities that we're not going to want 4 years from now.

Chairman NUNN. I agree with you.

Mr. WOLFOWITZ. That doesn't mean the Secretary is proposing radical budget cuts this year. In fact, we don't have a budget yet this year. He'll be up to present it to you in a month. And he'll talk then about how this 1991 budget relates to those larger changes we expect in the future.

But that is the kind of dynamic planning we are trying to do now.

Chairman NUNN. Basically, you are saying he is doing with intuition what you do not want to do with any formality.

You've got greatly increased warning time by your own assessment, but you are not plugging it into the planning factor, and you've got the Secretary of Defense basically making projections based on his intuition of where the CFE talks are coming out.

I mean, isn't it better to make the changes in the threat assessment?

Mr. WOLFOWITZ. No, Senator.

Take, for example, the fundamental question of our reinforcement goal of getting 10 divisions to Europe in 10 days. That is a fundamental planning factor. It is related to warning.

If we were to attempt to reduce that a little bit, it would not make a significant difference in the budget. There may in fact be some changes that we could recommend right now, based on some slight reduction in that goal.

If we were to attempt to relax it substantially and, let's say, give up the idea of reinforcing by air and do it all by sea, then, in fact, our warning time would disappear. We'd be back to the threat of unreinforced Soviet attacks, and we'd be in a very dangerous situation.

Chairman NUNN. I understand that.

But when we have this budget presented in January, and it's going to be coming down for the first time in a long time by the President's own submission—it's been cut by Congress over the last 4 or 5 years—what are we going to base the reductions on?

If you're not changing the planning factors, if you're not changing the basic threat assessment, I don't understand what you're basing the basic budget cuts on.

Mr. WOLFOWITZ. Well, let me say that I think the biggest reductions are not the ones that will come this year, but the ones that can come 3 or 4 years from now, based on changes that we expect to be much bigger 3 or 4 years from now.

Chairman NUNN. But you're making very substantial cuts this year.

Mr. WOLFOWITZ. The President hasn't made any decisions about this year's budget and, until he does, I cannot tell you whether those are substantial or not.

Chairman NUNN. We've already seen a number reported in the Washington Post.

Mr. WOLFOWITZ. Not everything in the Washington Post is accurate, Senator.

Chairman NUNN. Well, I've heard that confirmed by many people in the administration.

Mr. WOLFOWITZ. Well, the numbers I've seen in the Washington Post, if you plot them on a graph, are very big 4 or 5 years from now, and relatively small this year.

Chairman NUNN. What's the number 292.15?

Mr. WOLFOWITZ. That's a number I've seen in the paper, Senator. [General laughter.]

Chairman NUNN. We just do not seem to be making the budget based on threat. That's the puzzling thing. It looks like we are back to intuition, an intuition by the Secretary of Defense as to what the outcome of the arms control talks are going to be.

I don't say that shouldn't be considered. But I'm saying that when you get fundamental changes—and greatly increased warning time is a fundamental change. There is no doubt about it.

Mr. WOLFOWITZ. It is a fundamental change, but it's budget——

Chairman NUNN. When you get that, why doesn't the building accept that and start revising the threat assessment and make it on a logical basis? That would make the whole budget process logical.

But maybe that's something we don't ever want to do. Let me yield. Senator Glenn.

Senator GLENN. Let me follow up on this a little bit.

We have to be legislative partners in this. We cannot do legislation by leaks. If you do, you just invite everybody under the sun to set up their own defense budget, and then we have all these fusses about what's going to be cut and what isn't going to be cut.

I don't know that we really have a clear answer yet to what was in the Chairman's letter.

Let me ask a couple of specific questions.

Has this revised warning time been adopted by NATO?

Mr. WOLFOWITZ. No, it has not, Senator. That is one of the processes that is underway at the moment, an examination of our warning assessment compared to those of our allies, who have their own sources of intelligence and, frankly, their own planning factors that they use.

Senator GLENN. Will these revised assumptions be the basis for the 1991 budget and for the 1991 to 1995 FYDP?

Mr. WOLFOWITZ. Clearly, the revised threat assessment is going to be something we have in mind as we do the 1991 budget, and as we do the FYDP beyond that. But for the reasons that I've explained in my statement, what the intelligence community estimates in terms of available warning is not the same thing that a decision maker or planner wants to assume in terms of usable warning.

Therefore, we do not simply take an intelligence estimate and turn that into our planning factor. We base our planning factor on how we think our own capabilities will produce a situation of lowest risk.

Senator **Glenn**. General Butler, did the JCS have this estimate in December of 1988?

General **Butler**. I'm not sure which estimate you are referring to, sir.

But I can tell you that we worked closely with the intelligence community and OSD policy-makers in the formulation of current plans, based on the kind of information that the intelligence community has been putting together.

Mr. **Allen**. Senator Glenn, those were some building blocks on which we drew in order to complete the warning estimate in September.

There were other factors on which we drew, which were certainly not completed in December 1988, including some national estimates. The Joint Staff and General Butler and his staff have all of our estimates.

Senator **Glenn**. Did DIA agree with these revised warning time assumptions?

Mr. **Allen**. The warning estimate that was completed in September is a consensus document of the intelligence community of the United States.

Senator **Glenn**. And DIA did not dissent from that, General Butler? Is that correct?

General **Butler**. Sir, I would have to defer to a DIA representative.

Mr. **Allen**. No, sir.

Senator **Glenn**. How many other studies do you know of that are like this, that are leakable, that we are going to find as a surprise one of these days?

Have we been given access to studies like this that are going to affect our deliberations come late January, when we have to start working on the next budget?

Mr. **Wolfowitz**. Senator, I can't give you assurances about leaks. We deplore them as much as you do and we are trying to deal with what is a difficult thing.

Senator **Glenn**. Let me ask this in a different way.

These are very basic, fundamental things: warning times, what we can rely on. As the Chairman has pointed out, we have to deal with transportation and very expensive systems to cope with revised warning times or lack thereof.

I am concerned that there are other studies like this that we'll hear about a year and a half from now that we won't be able to take advantage of when we start our budget hearings after the first of the year.

Mr. **Wolfowitz**. Senator, we're making an attempt, in a time of enormous strategic change, to be as forthcoming as we can, so that we can build a national consensus about how to respond to these changes. I think everyone would acknowledge that this is a period that is really making history, and I think it is important that we move forward together, the executive branch and Congress together.

Senator **Glenn**. This report was out in a classified study in May. The administration all during the year, clear up until late September, Secretary Cheney was still saying "Despite all the rhetoric about reducing their military budgets, Soviet defense spending has actually increased an average of 3 percent per year in real terms since 1985." And it wasn't until just last month that senior administration officials stopped public assertions of higher Soviet military spending.

Now, is that just a coincidence, that those assertions stopped after we had the budget passed for the year?

Mr. **Wolfowitz**. Senator, that happened because somehow it wasn't until November that the CIA felt that it could predict what Soviet spending would be for 1989. You would have to ask them why, in fact, they can do it before the year is over. But I talked to them in detail and I am persuaded.

At the same time that Secretary Cheney made his comments, and I made my comments, we have also been saying over and over again that the Soviets have promised to cut their defense budget, and that, not because we tend to believe their promises, but because of the enormous budgetary pressure they are under, we expect their budget to come down. But, until this year, it had not come down yet, while ours had been coming down since 1985.

Those are all points that we made.

Secretary Cheney was the first person to announce publicly what is probably the single biggest reduction in Soviet defense efforts, and that was back in September, when he announced a major reduction in tank production.

So contrary to some newspaper stories that will take a particular quote and then suggest we have been making misleading statements, I think that you look at the complete record of what has been said, it has been a very honest attempt to try to present a complex and changing picture to the American public.

Senator **Glenn**. We have to start dealing with this about 5 or 6 weeks from now, regardless of what happened in the past, whether a classified study in May was leaked or not.

What can you tell us? Can you comment on what we are actually seeing right now, today, in Soviet defense spending?

Mr. **Wolfowitz**. We think that in 1989, largely because of reductions in conventional spending, not in strategic forces, we will see a slight reduction in Soviet defense spending compared to 1988.

Senator **Glenn**. In what particular area?

Mr. **Wolfowitz**. Bear in mind that this is according to our own estimates. The Soviets do not give honest estimates of their own defense spending, and we are forced to do a lot of guessing and a lot of indirect measurement.

If our measurements are correct, their spending increased during the first 4 years of Gorbachev's rule by about 2 to 3 percent a year, while ours was declining by about the same amount.

But, starting in 1989, we think that due to things like the reduction in tank production their spending is finally going to start to decline.

If you ask how much it will decline in the future, there is not a lot to go on. Gorbachev says that over the next 2 or 3 years, it will go down by 14.2 percent. They are very precise, and it is always a ".2 percent."

But when you ask how big their budget is in the first place, we're not quite sure, and the figures they publish we think underestimate by about half.

Senator **Glenn**. What other areas besides tank production have gone down?

Mr. **Wolfowitz**. I'd have to get you the details for the record, Senator, but we see reductions particularly, as I said, in conventional forces, and particularly in ground force equipment production.

Their spending on strategic forces—and this is an estimate, at this point, 2 months before the year is even over—is estimated to be about level. I believe expenditure on their naval forces modernization is about level.

But I am sure the Agency can get you an estimate of that.

Senator **Glenn**. Okay. I'd appreciate that for the record, if you could, please.

[The information will be retained in committee files.]

Mr. **Wolfowitz**. It would have to be classified.

Senator **Glenn**. Yes, fine.

What reduction in manpower do we see them making? Do we have estimates of that, for the coming year, so that we'll know whether we have to match that or not in some way.

Mr. **Wolfowitz**. The overall unilateral reduction that Gorbachev announced was a 10 percent reduction which may not sound like a large percentage, but which means almost 500,000 men, because they are so big. A lot of that will come from the Soviet Far East. There is a big reduction on the Chinese border.

Senator **Glenn**. Do we see those actually occurring yet?

Mr. **Wolfowitz**. We do see them occurring, but I will have to tell you for the record exactly at what point they are.

But I would also emphasize that we can't afford to match them. We didn't match them as they built up to a 5 million-man military and we cannot match them soldier for soldier or tank for tank as they build down.

[The information will be retained in committee files.]

Senator **Glenn**. Can you give us an estimate of the nature of their forces?

Are they going to more mobile forces? Are they still the heavy, set piece, land warfare type forces that we have been concerned about in Europe?

Can you give us the nature of the new Soviet military?

General **Butler**. That's one of the imponderables, Senator, that leads to the kind of uncertainties that Mr. Wolfowitz outlined here.

The Soviets have discussed at some length, principally in declaratory forms, their intention to go to defensive-defensive doctrine and to restructure their cadres. But at this juncture, we have not seen anywhere near the kind of concrete evidence of how the Soviets will either take their unilateral cuts, and certainly what they might propose to do in the aftermath of CFE reductions that we feel is essential before radically changing our military strategy.

Senator **Glenn**. Will there be new intelligence estimates given to us at the same time or about the same time as the new budget is received here on Capitol Hill?

Mr. **Wolfowitz**. I assume that at the time the budget comes up, the current intelligence assessments will be made available. As I indicated earlier, that doesn't mean that every agreed assessment is necessarily complete at that point.

Senator **Glenn**. What I am concerned about is we are left right now to operate with a year-old classified study that was completed in May, or whatever, unless it is revised.

Now I am concerned that we have a lot of changes going on and that we have the very latest information that is concurrent with the submission of the new budget.

Mr. **Wolfowitz**. Senator, that assessment, the revised assessment on warning is available right now. If you want to, we could go over the details of it this morning in classified session.

Senator **Glenn**. My time is up, Mr. Chairman. Thank you.

Chairman **Nunn**. Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

I would simply, once again, come back to the credibility of what we are trying to do.

Now we are going to act on another document, your strategy report, which is to accompany the budget. Is that going to be a warmed over item, or is that going to reflect, in real time, the changes in the world?

Mr. **Wolfowitz**. Senator, we try not to have "warmed over" documents. We try to do things in real time.

But let me underscore that real time is changing fast, and the pace is almost dizzying. Trying to get it right, so that we do not move too fast, but so that we still move, is the challenge.

We will give you the best and most up-to-date assessment that we can. But that does not mean that we are going to assume that the whole world has changed when, in fact, we have not seen those changes yet.

Senator **Warner**. Back on a little note of trivia here.

I had a quick bit of research done on that quote. I am going to put that quote up in my office.

The accurate quote is: "There go the people. I must follow them for I am their leader." The quote is attributed to a man named Alexandre Ledroux Roulin, who was a leader in the February Revolution of 1848 in France.

But I really think it is one of those things you ought to pin up on your wall. [General laughter.]

We can talk in neat terms of threat, strategy, translated into dollars in the budget. But outside the halls of the Congress, there are some very active constituents, in growing, large, numbers. And unless we have a really tight partnership, as Senator Glenn said, partnership with the President, predicated on sound, real time information, we might see those constituencies get way out ahead of both leaders in the executive branch and the legislative branch.

I want to support the President. I think the sentiment around here is we all want to keep pace. We don't want to let these events outpace the arms control, which is a unique chapter in our history, the history that we have right now, the history of the world, to make good, credible, balanced, and verifiable arms control agreements and reduce these forces.

So it is going to take a lot of strength and muscle power around here, in my humble judgment, to hold the dike and get that arms control process completed before we realize whatever peace dividend may be reached.

So much for that.

I will pass this up to you for your information.

Mr. WOLFOWITZ. Thank you, Senator.

Chairman NUNN. Senator Cohen.

Senator COHEN. Mr. Wolfowitz, Senator Glenn asked you what was the raction of our allies to the shorter or the longer warning time that we now have.

You said that we are currently discussing this with them?

Mr. WOLFOWITZ. I believe that's correct. Charlie, can you speak to that?

Mr. ALLEN. Yes, Senator Cohen.

We have briefed NATO's Military Committee, I and my colleagues, on the estimate in a closed session.

Senator COHEN. Am I correct that at least two countries are showing some strong resistance to the notion of having a longer warning time, or accepting our assessment about having a longer warning time?

Mr. ALLEN. I think that this will be a subject of considerable discussion with our NATO allies, particularly when we get into MC-161 discussions and deliberations here in the spring.

There are two countries, yes, that do not totally share our conclusions.

Senator COHEN. And the reason they don't—is there any reason why we can't talk about those two countries in open session?

Mr. ALLEN. I would prefer not to, sir.

Senator COHEN. Well, then, let's call them X and Y.

The reasons that X and Y are reluctant to accept this new, revised warning time, are they because of domestic politics, in part?

Mr. ALLEN. I would not want to characterize that. I think there are some honest and differing perceptions of the capabilities of Warsaw Pact forces.

Senator COHEN. Well, let me just deal in hypotheticals for the moment.

Let's suppose that we start cutting back. Senator Warner has fired a shot, a warning shot, saying unless we are able to predicate our budget upon sound and intelligent planning, then we're not going to be able to hold a line. Constituents will demand that we make massive, or substantial reductions well beyond what might be militarily prudent.

Assume we find ourselves in a situation where perhaps, let's say that Germany, by way of example, starts looking at U.S. cutbacks. We start cutting back on our programs. I can foresee the SPD, maybe even the Greens, saying well, look at what the United States is doing. They're cutting back on various programs and we should go further.

The pressure will be on domestically in that country, I would imagine, to cut even further unilaterally.

Is that not a realistic possibility?

Mr. Wolfowitz. It's a real concern, Senator. It is why we have put such an emphasis on consulting closely with our allies about our plans.

Senator Cohen. And if they, in turn, start cutting back—I know that Senator Nunn has issued his own warnings about our troop reductions being a ceiling and not a floor; that if we see other countries starting to make unilateral reductions, we may be in a position, when it comes up for the Defense authorization bill, to start making even further reductions, not to take our reductions as an absolute guarantee that that number of forces will remain intact in NATO.

So we have a situation in which if we start making reductions without tying it to a specific strategy, which is based on an up-to-date, real time, intelligence assessment, if we have that situation and we start making cuts, which could come on the floor, Europeans, Germans, in particular, might respond unilaterally. We, in turn, respond to that. And you have, really, the dissolution of the alliance, almost on a unilateral, tit-for-tat basis.

Mr. Wolfowitz. You are definitely right to warn of that. I think that is a reason why we need to work all the harder to achieve what Senator Warner described in terms of a reasonable consensus about where we are going.

I would not be as alarmist, though, as that scenario suggests. I think we are doing reasonably well in developing a consensus. I think the kind of reception that Secretary Cheney got at the Defense Planning Committee in Brussels, and the kind of reception the President got after the Malta meeting, reinforce my conviction about that.

It is partly the case, too, that we need to move some, or we'll lose control of the whole process.

Senator Cohen. It's not just a question of persuading the leadership. I think we have a situation, especially in Europe, where the leaders may be very solidly behind maintaining our current posture in which the people are leaving. They are out-running that. They are saying we don't want it anymore. We've gone too far and there is no threat.

So I think there is going to be even more pressure in the European countries than here domestically in the first several months.

Mr. Wolfowitz. I think you are probably right about that.

Senator Cohen. What would be the prospects of seeing a reunified and relatively disarmed Germany?

What kind of dangers would that post in your judgment?

Mr. Wolfowitz. I think it would seriously weaken the whole Western collective security system. And I believe it is that system that, in fact, provides the stability and the peaceful environment in which we can contemplate the enormous change taking place without having to worry about it.

Senator Cohen. Is it your judgment that Secretary Gorbachev also feels that way?

Mr. Wolfowitz. It is a little hard to say. But I would say the sense one got in Malta was "yes." That sense is reinforced by the earlier events which I think one of your colleagues referred to, where after an initial period, in which they were making speech after speech about the dissolution of the blocs, they backed away from that, and Gorbachev even warned people against doing it.

So I think maybe they will see some advantage in that measure of stability. But I would underscore that, whether they see an advantage or not, it is an advantage, and we have to keep hammering away at that.

Senator **Cohen**. Thank you, Mr. Chairman.

Chairman **Nunn**. Senator Glenn.

Senator **Glenn**. I am concerned about the budget reflecting strategy and not the other way around, the budget getting out in front of strategy, and just saying because we've always had a budget of so and so, now we'll just have a percentage cut of so and so. As you pointed out earlier, we are in a very, very rapidly changing time period here.

Is the budget we are going to get in January going to reflect all of the events of the last 3 months? The budget is already put to bed in the Pentagon. We know that. It's just being hassled out over at OMB now.

Is it going to reflect what has really occurred in the last 3 months?

Mr. **Wolfowitz**. Do you mean what has occurred in Eastern Europe, Senator?

Senator **Glenn**. Yes.

Mr. **Wolfowitz**. I cannot forecast precisely what the President is going to decide, and what the Secretary is going to bring up here.

I think, in fact, that the kind of events that we have seen in Eastern Europe, while they are dramatic and while, in the long term, they may be significant, it's a little too quick to factor them into our defense posture, and start regulating our defense posture on that basis.

I do believe that the 1991 budget, and, even more, the Six Year Defense Program beyond that, are going to reflect the kind of changes that have been taking place in the military environment in Europe, and the kind of changes that we expect to see taking place in the future. We are trying, in fact, to do precisely as you say, not to just make percentage cuts across the board, but in an era of scarce resources, to take the cuts in areas where, in fact, the threat has declined, so that we have the resources for the kind of contingencies Senator Cohen was talking about, which if anything may be worse in the future.

Senator **Glenn**. Where all these things come together for the foreign policy decisions, the defense decisions, the intelligence decisions, is at the NSC level.

Has the Defense Department been receiving guidance on what they would like to see in next year's budget and what our military strengths should be in next year's budget?

Mr. **Wolfowitz**. There have been extensive discussions with the President, with Secretary Cheney and General Powell, and with the National Security Adviser. I cannot tell you exactly how many there have been, Senator, but there were very intensive discussions about precisely these issues.

Senator **Glenn**. Along this line of directing the thrust of the new budget to reflect the changed strategic situation in Europe?

Mr. **Wolfowitz**. Yes, Senator.

Senator GLENN. Thank you.

Chairman NUNN. Thank you, Senator Glenn.

Senator Cohen, do you have any other questions?

Senator COHEN. Well, just a point that I don't know that hasn't been clarified yet, Mr. Chairman.

It is how we handle this with respect to our NATO alliance.

Here we are, in the middle of trying to get an agreement or a consensus on our NIE, as such, to get them to accept our assessment of warning time. Apparently that is going to be difficult. It is not going to be simply a matter of snapping our fingers and saying we've got the intelligence, we've got the military capability which now makes it less likely that the Soviets could mobilize and attack in a very short period of time.

If there is reluctance within the NATO alliance to accept this new estimate, it certainly is going to be equally difficult, it seems to me, to get them to change NATO doctrine, as far as our force structure is concerned.

So it is not something that is going to happen overnight. It's something that I agree all of us are concerned with, how we put the program together.

But I think it is not fair to characterize the administration's policy at this point as not being responsive and moving rapidly enough if we can't have our allies acting in concert with us.

I think it is going to take some time. We have to put more pressure on, perhaps, to accelerate the negotiations, or the meetings, or the consultations, whatever you want to call them.

But I don't know that we can change our doctrine and our strategy and do it unilaterally and still maintain the integrity of the NATO alliance. It seems to me that we have to bring them in as part of it, and that is not moving as rapidly as one would anticipate.

Is that a fair statement, Mr. Wolfowitz?

Mr. WOLFOWITZ. I'm not sure it's moving particularly slowly. We want them to move in concert with us, but we also have to think about moving in concert with them. They have considerations that we have to look at too.

There is this difference, Senator, which has come up several times, between what your intelligence community believes you will have in terms of intelligence warning, and what your planning factors are going to be.

For us, a crucial variable in deciding the planning factor is this question of what means we use for reinforcement.

For some of our allies, that is not the critical variable.

Senator COHEN. Let me ask this.

What happens if X and Y do not accept our intelligence estimates?

Mr. WOLFOWITZ. Each country can make its own unilateral decisions about warning plans.

Senator COHEN. Okay.

Assuming X and Y do not accept it, do we move forward with changing our own strategy?

Mr. WOLFOWITZ. It would depend on exactly what "not accepting it" means, and it would depend on what kind of changes we propose to make.

Senator COHEN. Well, if they don't accept the estimates and they decide they don't want to accept a change in doctrine, where does that leave us?

Mr. WOLFOWITZ. I guess I would like to cross that bridge if we get to it, Senator. But, in fact, I believe you can have some coordination on the kinds of force posture you want, even if two different countries are making somewhat different assumptions about the warning that will get you there.

Senator COHEN. I was only suggesting, Mr. Wolfowitz, that it's a bit more complicated than simply saying we've got a new National Intelligence Estimate that changes our view of how much warning time is involved. And if we do not have our allies, the key allies, involved in NATO accept that, there is going to be a reluctance, it seems to me, for them to integrate their force structure in a way that we think is desirable, and that is going to complicate it somewhat. So it is not as easily done as one would like to see.

That is all I am suggesting.

Mr. WOLFOWITZ. That is absolutely right.

Chairman NUNN. Senator Cohen, one historical foot note here. We may stipulate for the record that country X is not Brunei. [General laughter.]

Senator COHEN. And it's more than $10 million that is involved.

Chairman NUNN. That's right. [General laughter.]

Mr. Wolfowitz, we talk about warning time. Senator Cohen's point is well taken about the NATO alliance and how long it takes to change things there.

But isn't it really true that some of our allies never have accepted the shorter warning scenario to begin with?

Mr. WOLFOWITZ. That's correct. There are different assessments of warning.

Chairman NUNN. It's not like we all have the same assessment now, is it?

Mr. WOLFOWITZ. No, we don't.

In the end, what we need to have is coordinated force planning so that, by whatever means we get there, we have some agreed plans about how we will reinforce, and what roles we will each perform.

Chairman NUNN. Isn't it also true that a number of the NATO nations have always believed we had a longer warning time than we have, so that this reassessment moves more nearly toward their position, rather than away from it?

Mr. WOLFOWITZ. That's correct for some of them, Senator. Others have said that it is shorter. There is a spectrum of opinion. That spectrum is tied not to domestic politics, so much, Senator, as to the fact that some of them are not distinguishing between warning, in the strict sense of intelligence, and warning in the sense of how they structure their forces. For some of them, it is terribly important to maintain, for example, the right mix between active forces and reserve forces, to focus on that short warning.

Chairman NUNN. Let me ask a question of Mr. Allen.

Mr. Allen, without getting into great detail on the substance, I do need to get some impression from you on this.

We hear in public all the time, from our NATO commanders, and I think with some considerable reason, that NATO runs out of ammunition in "days, not weeks or months." Numerous countries run out of ammunition in very short periods of time.

That has not appreciably changed in the last couple of years.

Have you taken that into account in basically increasing the warning time, based on improved allied capabilities, the sustainability levels?

Mr. ALLEN. No, we have not discussed sustainability.

We talk about how the Soviet military planners would look at the force needed for successful employment against NATO.

Chairman NUNN. You're talking about the initial thrust?

Mr. ALLEN. That's right, up to the point of attack. We do not address sustainability. That, of course, is addressed, and we are struggling with that whole issue of sustainability.

Chairman NUNN. Are you working on that one now?

Mr. ALLEN. Other senior officials; other senior intelligence officials have been looking at that issue.

Chairman NUNN. Can we expect something on sustainability, both our forces and the Soviet forces? Which way is it?

Mr. ALLEN. It would be on the Soviet forces and Warsaw Pact forces.

I am not certain of the completion date of that particular effort because that is a very complex and also very contentious issue, as I understand it.

Chairman NUNN. It seems to me that to get a real assessment of warning time, you would have to take into account sustainability of our own forces.

Are you saying that the Soviets are going to simply measure the initial thrust and not look at how long the forces can be maintained on the allied side?

Mr. ALLEN. Soviet military planners take into account all aspects of U.S. and NATO forces in looking at force and weight needed to attack NATO. They also, of course, have to look at how long it takes them to mobilize, how long it takes them to move. They have to look at the readiness of their forces and their capabilities for offensive operations, as well as the manning levels.

So there is a whole series of factors that a Soviet planner would have to address in order to determine how much time, as the Secretary said, would be required to prepare his forces for what would be a successful attack.

Chairman NUNN. Mr. Wolfowitz, let me just ask you a couple of final questions here to see if we can capture where we are now.

First of all, I guess you would agree with me that warning time is a fundamental factor in terms of planning strategy, budgets, and so forth.

Mr. WOLFOWITZ. I do agree that it's fundamental, Senator. But I also think that its importance is sometimes exaggerated, in some of the stories we've read, for reasons that I tried to explain in my opening statement.

Chairman NUNN. But you agree that it is a very important factor?

Mr. WOLFOWITZ. Very important.

Chairman NUNN. Would you agree that the warning time that you have does have an effect on strategy?

Mr. WOLFOWITZ. Yes, I do.

Chairman NUNN. And would you agree that strategy has an effect on budget?

Mr. WOLFOWITZ. Yes, I do.

I would say, also, Senator, that strategy and budget have an effect on warning time. We are in a circle here, which I have tried to emphasize over and over again.

Chairman NUNN. Yes. But, you see, what you are assuming there is that if you change your warning time, your budget automatically goes down. That is not necessarily the case.

If you could not meet the standards under the previous warning time, having additional warning time does not necessarily mean you are going to cut the budget.

We have never been able to meet the short warning threat. We have never been able to get our assets over there in time. We have never had enough airlift. We have never had enough sealift.

What I sense creeping in over there, in the building—and pardon me for putting it this way—is a reluctance to change the planning factor because you think Congress and everybody is going to then assume that we are going to greatly reduce the budget.

So, what you are doing is reducing the budget without changing the planning factor, and you are losing your logic and you are making the whole situation worse.

I don't think you should start with the assumption that, just because you changed the warning time planning factor, that everybody is going to conclude up here on the Hill that we are going to have to have massive budget cuts.

I know, and I think a lot of people know—I know Senator Cohen and Senator Glenn and others who follow this do—that we have never been able to meet the short warning factor.

So the fact that you raise it as a planning factor does not mean that you are going to automatically have budget cuts. But the fact that you are not taking into account, in effect, and state that you are not going to take into account the new warning time as a planning factor, means that your own budget process loses some of its credibility.

I don't know whether or not I am making my point clear.

Senator COHEN. Mr. Chairman, I think what you are saying is that the warning time has finally caught up with our shortfalls.

Chairman NUNN. That's right. That's right. [General laughter.]

We are getting into a more realistic posture because we have additional warning time. But if the building over there is taking the position that you aren't going to change any planning factors, I don't know what we need intelligence estimates for.

I thought intelligence estimates were supposed to be plugged in to the planning factors. But you have a new intelligence estimate out, now, and you are basically saying that you are not going to plug it in.

I don't understand it. I think it is something that we can go on and on about. But I think it is something you ought to reexamine between now and January.

Mr. WOLFOWITZ. Senator, it is true that we have never met our M+10 reinforcement goal. But we've made substantial progress in that direction, and we have improved our capability significantly.

It is that improvement, I believe, that has gotten the Soviets' attention, and that has produced the longer warning time that we are able to talk about today.

So, if you talk about changing the planning factor, does that mean changing the planning factor to just say, "well, stop where you are now because that is pretty good?"

Chairman NUNN. You see, that is what you are assuming.

This is how we get into trouble. Everybody sort of hedges over here on this side of the river because they think the reaction on the other side of the river——

Mr. WOLFOWITZ. No, no. We're not talking about the Congress. We're talking about what signals we want to send to the people who are preparing service budgets and putting them together, and what sort of reinforcement goals we want to set for them.

Chairman NUNN. But you are not going to meet that, what do you call it, the M+10. You are not going to meet that, even with the 5 year plan you have now.

Mr. WOLFOWITZ. That's correct. But we come a lot closer than we did before.

Chairman NUNN. But why not make it realistic, based on the threat? Then you might even be able to achieve it.

Mr. WOLFOWITZ. If you do, in fact, adjust it all the way to the warning that we expect to have, Senator, there are all kinds of things that you could just do away with, and in the process you would be dependent on a very slow-reacting posture that would get you into trouble.

So, I believe there is some room to adjust the planning factor in ways that may actually have useful impacts on our planning and our budget. But it does not mean that we take a number that comes out of the intelligence community and plug it in and say, "now plan for that."

Chairman NUNN. I'm not saying you have to take the exact number. But you are saying you are making no adjustment. That's what you're saying here.

Mr. WOLFOWITZ. Well, I'm not saying no adjustment. I'm saying that we have to be very careful about how we adjust, and we don't yet see some way to simply change the factor from 10 days to 12 days, let's say, and have that be useful. Perhaps with better analysis, we'll come up with a way to do that.

Chairman NUNN. We might even find, if we adjusted that warning time planning factor, that we might be in better sync with our allies.

My impression—and I would have to go back and look at countries X, Y, and Z, and others—but my impression is that we have always had a shorter warning time than they have.

I happen to have agreed with that shorter warning time. I think that that has been more realistic than their assessments.

But I believe that by coming to a more realistic planning factor now in warning time, we would be moving more toward a coherent NATO position.

Mr. WOLFOWITZ. Well, we'd be moving closer to some but away from some others. And we might be encouraging some to go into excessive reliance on reserves, which, again, creates the whole problem you are trying to stay away from.

Chairman **Nunn**. Well, based on what I read that's coming out of Germany, and they've said it in the paper, we don't have to give them any encouragement. They are moving with a 5 year plan to dramatically cut their forces.

This is what I was worried about last September, when they were saying it wasn't going to happen.

Mr. **Wolfowitz**. Well, that is exactly what you were trying to warn against with your amendment, and what we have been trying to push against.

Chairman **Nunn**. They are now saying it is subject to arms control. I think that is wise.

I hope they stick to that.

Senator Glenn, do you have anything else?

Senator **Glenn**. I do, indeed. I just want to make one statement here.

We wrote into this year's Defense Authorization Bill a requirement for a study that I think can be one of the most important studies we've done in a long time in the context of the time and the changes in Europe. That was this review of the Total Force concept and the split of functions between the Regulars, the Reserves and the Guard.

It has been 13 years that policy has been in effect. We have never examined it thoroughly. And here we are, at a time when we know we are going to be reducing our forces, and that is much tougher than building forces.

That is tougher than when you have a big, blank checkbook and everybody is building.

We know that some of the things that we have done in the past have just flat-out not worked, and others have worked superbly.

You take Air, Guard, Reserve, and all of those. They have been performing their functions and, quite often, outperforming Regular squadrons. At least they are on a par with them. They are excellent.

You take the Army Reserve, now, the ground forces, and they are 45 percent not combat ready. We cannot go on just pretending this does not exist, which we have been doing over the past 4 years that we have been talking about it.

The combat support units, combat service support units are just not there, if we really went to war. When we are reducing is the time we can change some of these things.

We are talking about warning time. We are talking about mobility of getting forces around the world. We are talking about a time for mobilization.

We cannot make those judgments on this committee unless we know what roles are going to be performed by the Regulars and by the Reserves.

At a time when we are trying to reduce our budgets, there is going to be a big cry to put more into Reserves, more into Reserves and more into Reserves because it is a little bit cheaper. It is also not necessarily what we ought to do as far as being combat ready for certain scenarios.

I think we said that that study should be done by the end of this year. It is due to us by December 31—of 1990, rather. I'm sorry, it's not this year but by the end of 1990.

I don't think we can wait that long. I think we need to be working very closely together on that study as we go along, so that we get some guidance out of it this year, because this year is going to be critical. I don't have any doubt that we are going to start some major cuts this year. I think some of them will be premature.

I agree with the Pentagon position, that we don't want to move too fast. But I also know when the tide is here, we are not going to be able to shovel it back out to sea, either.

We are going to make some cuts. I don't have any doubt about that. But I want those cuts to be educated cuts. And we are not going to be able to do that unless you give us this Total Force Policy study concept on what is working and what is not.

On medical, just to give you an example, 80 percent of combat medical comes from the Reserves. And yet, we are short 71 percent in doctors, we are short 66 percent in nurses. That translates to 7,000 doctors and 31,000 nurses. That's short. That's not what we have. That's short, and that's if we went to combat right now.

You have sat in on war games. You know that if you get to that point in the war games where you have casualties, then you go to this old rhubarb saying well, we're going to rely on host nation support for the rest of this game. But at the same time, we know realistically that the host nation has its own casualty problems at that point.

That's just one little example.

We need to examine these things so that we know how to cut, so we wind up with forces that are best tailored to the scenarios we see most likely in the future that we are preparing for.

So that isn't a question as much as it is a plea to please get the people over there going on this study, work with us on this and keep us informed. Let's work together.

It's going to be manpower. It's going to be mobility. Some of it will be hardware. Some of it will be transferring forces from the Regulars to the Reserves. Some of it, if it isn't working, may be to transfer Reserves to the Regulars.

But, as we have this opportunity to mold whatever smaller force we are moving toward, we have to do it in an educated way.

That is what the Total Force concept study was supposed to do. And we need that. We cannot wait until the end of 1990 to get it. We are going to have to work together on it, I think, as we go along through this year.

So I hope you can carry that message back to the Secretary and whoever will listen over there, because we want that to be a very thorough study. It can give us guidance for the future.

Mr. WOLFOWITZ. We will do that, Senator.

Chairman NUNN. Thank you, Senator Glenn.

Let me join in supporting Senator Glenn's plea on that.

Mr. Wolfowitz, I hope this study will be reviewed by your office very carefully and by you, because it is a key.

Mr. WOLFOWITZ. We will do so.

Chairman NUNN. We will not have the executive hearing today. We wanted to get as much of this out and public as we possibly could.

Mr. Allen, General Butler, we will hear from you later, though, and I think now you have a good idea of what we will be asking you when we do have an Executive Session.

Mr. Wolfowitz, thank you for being here. We appreciate your being here. I think we have clarified some points, and I hope you will take into account some of the points made here today.

Mr. WOLFOWITZ. Thank you, Senator.

Chairman NUNN. And we thank the Secretary.

[Whereupon, at 10:55 a.m., the committee adjourned, to reconvene upon the call of the Chair.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

TUESDAY, JANUARY 23, 1990

U.S. Senate,
Committee on Armed Services,
Washington, DC.

THREAT FACING THE UNITED STATES AND ITS ALLIES

The committee met, pursuant to notice, at 9:03 a.m. in room SH-216, Senator Sam Nunn [chairman] presiding.

Present: Senators Nunn, Exon, Levin, Bingaman, Dixon, Glenn, Wirth, Warner, Cohen, McCain, Wallop and Gorton.

Armed Services Committee staff members present: Arnold L. Punaro, staff director, Richard D. DeBobes, counsel, and John N. McConnell, system manager.

Professional staff members present: Robert E. Bayer, Robert G. Bell, Richard E. Combs, Jr., Richard D. Finn, Jr., John J. Hamre, William E. Hoehn, Jr., David S. Lyles, Michael J. McCord, William H. Smith and Frederick F. Y. Pang.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel, Romie L. Brownlee, deputy staff director for the minority, Brian D. Dailey, Judith A. Freedman, Ronald P. Kelly, George W. Lauffer, John E. Mansfield, and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara L. Braucht, Lori M. Jackson, Mary J. Kampo, Claire M. Kelly, Cindy Pearson, Kelli J. Pronovost, Debra A. Rice and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, Milton D. Beach and Donald A. Mitchell, assistants to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; Terence M. Lynch, assistant to Senator Shelby; C. Richard D'Amato and Melvin G. Dubee, assistants to Senator Byrd; James M. Bodner and Christopher K. Mellon, assistants to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order. The Armed Services committee convenes this morning to begin a series of hearings on the implications of the dramatic changes in the Soviet Union and Eastern Europe for our national security policy, our military strategy and ultimately our defense budgets.

This series of hearings continues the committee's practice of starting each session with a focus on the threat and the strategy as the necessary framework and prelude to the budget.

At the beginning of 1987 the committee conducted 16 hearings on our national security policy and its military strategy component. In 1988 we focused on NATO strategy. Last year the committee began with a series of hearings on the implications of Soviet reforms for the United States and allied security.

In light of the remarkable changes that have taken place in 1989 this focus on the threat and strategy at the beginning of this year is even more important than it has been in the past. Last month, Senator Mitchell contacted Senator Pell, the Chairman of the Foreign Relations Committee, and me to request that the Armed Services and Foreign Relations Committees conduct hearings on the implications of the changes in the Soviet Union and Eastern Europe for our foreign and national security policy.

Senator Pell and I both readily agreed to the majority leader's request, and our committees have coordinated and will continue to coordinate our hearing schedules over the next few months. These hearings in both committees, taken together, will provide a framework for the Congress to better understand and evaluate the national security and foreign policy programs in the President's fiscal year 1991 budget.

At this point, I would like to insert into the record the Armed Services Committee's schedule of full committee hearings for the next few months. A few of these spaces are blank. We do not have all of them filled in, but I think anyone interested could get a good idea about the witnesses and where we are heading over the next few months in terms of the foundation on which we will base our judgments on the budget as submitted.

[The information referred to follows:]

ARMED SERVICES COMMITTEE SCHEDULE—1990

1. Tuesday, Jan. 23, 9 am—SH-216 (Possibility of CLOSED session in SH-219); Threat Assessment.
   Witnesses: CIA; DIA; SHAPE/EUCOM.
2. Wednesday, Jan. 24, 9 am—SH-216; Changes in the Soviet Threat.
   Witnesses: Outside experts (Phil Karber, Ted Warner, Richard Perle).
3. Thursday, Jan. 25, 9 am—SR-222; Allied Perceptions on the Soviet Threat.
   Witnesses: Malcolm Mackintosh, Karl Kaiser, Francois de Rose, Masashi Nishihara.
4. Thursday, Jan 25, 2 pm—SR-222; Executive session on Stello nomination.
5. Friday, Jan. 26, 9 am—SR-232A; Hearing with Subcommittee on Defense Cooperation of the North Atlantic Assembly.
6. Tuesday, Jan. 30, 2 pm—SR-222; Implications of changes in the Soviet Union and Eastern Europe for Western Security.
   Witness: Former Secretary of Defense Schlesinger.
7. Wednesday, Jan. 31, 2 pm—To be determined.
8. Thursday, Feb. 1, 10 am/pm—SH-216; Fiscal Year 1991 Posture Hearing.
   Witnesses: Secretary Cheney, General Powell.
9. Friday, Feb. 2, 9 am—SH-216; Implications of Changes in the Soviet Union and Eastern Europe for Western Security.
   Witnesses: Former Chairmen of JCS (Admiral Crowe, General Vessey, General Jones).

10. Tuesday, Feb. 6, 9:30 am—SR-222; Implications of Changes in the Soviet Union and Eastern Europe for Western Security.

Witness: Former Secretary of Defense Brown.

11. Wednesday, Feb. 7, 9 am—SR-222; CINCs: NATO Defense.

Witnesses: General Galvin, CINCEUR, Admiral Kelso, CINCLANT.

12. Thursday, Feb. 8, 9 am—SR-222; CINCs: Pacific Defense.

Witnesses: Admiral Hardisty, CINCPAC; General Menetrey, COMUSK.

13. Thursday, Feb. 8, 2 pm—SR-222; CINCs: Regional Concerns.

Witnesses: General Thurman, CINCSOUTH; General Schwarzkopf, CINCCENT; General Lindsay, CINCSOC.

14. Wednesday, Feb. 21, 9 am—SR-222; CINCs: Mobility and Rapid Reinforcement.

Witnesses: General Johnson, CINCTRANS; General Burba, CINCFOR.

15. Wednesday, Feb. 21, 2 pm—To be determined.

16. Thursday, Feb. 22, 9 am—SR-222; Implications of Changes in the Soviet Union and Eastern Europe for Western Security.

Witness: Former Secretary of Defense Carlucci.

17. Thursday, Feb. 22, 2 pm—To be determined.

18. Friday, Feb. 23, 9 am—SD-342; Implications of Prospective Arms Control Agreements on the Five Year Defense Plan.

Witnesses: OSD, JCS, CBO.

19. Tuesday, Feb, 27, 2 pm—SR-253; Service Secretaries.

20. Wednesday, Feb. 28, 9 am—SR-253; Service Chiefs.

21. Thursday, Mar. 1, 2 pm—SR-222; Five Year Defense Plan.

Witness: GAO.

The full committee will be utilizing the following dates during March, April, and May for full committee activities. Subcommittees will be conducting their hearings in these months as well. In addition, markup of the Fiscal Year 1991 Defense Authorization bill is tentatively scheduled for the weeks of June 18th and 25th.

Tues., Mar. 6, 2 pm, To be determined.
Thurs., Mar. 8, 9 am, To be determined.
Tues., Mar. 20, 2 pm, To be determined.
Thurs., Mar. 22, 9 am, To be determined.
Tues., Mar. 27, 2 pm, To be determined.
Thurs., Mar. 29, 9 am, To be determined.
Tues., April 3, 2 pm, To be determined.
Thurs., April 5, 9 am, To be determined.
Thurs., April 19, 9 am, To be determined.
Tues., April 24, 2 pm, To be determined.
Thurs., April 26, 9 am, To be determined.
Tues., May 1, 2 pm, To be determined.
Thurs., May 3, 9 am, To be determined.
Tues., May 8, 2 pm, To be determined.
Thurs., May 10, 9 am, To be determined.
Tues., May 15, 2 pm, To be determined.
Thurs., May 17, 9 am, To be determined.
Tues., May 22, 2 pm, To be determined.
Thurs., May 24, 9 am, To be determined.
Week of June 18, Subcommittee markups (tentative)
Week of June 25, Full Committee markup (tentative)

Chairman NUNN. A number of questions need to be addressed before we start reviewing the details of the amended defense budget request for fiscal year 1991 and the new Five Year Defense Plan that we will be talking about with Secretary Cheney and General Powell next week.

I highlighted some of these questions during the hearing that the Armed Services Committee held last month with Under Secretary of Defense Wolfowitz. The first question: how much has the military capability of the Soviet Union changed, and what is the current nature of the Soviet threat, not only in Europe but in Asia and in other parts of the world?

Should we change some of the fundamental assumptions of our national security as a result of the changes that are under way in the Soviet Union and Eastern Europe?

How have the changes that are taking place in Eastern Europe affected the military capability of the Warsaw Pact?

What would be the implications of German reunification for the security and the stability of Europe?

How should NATO respond to the changes taking place in the Soviet Union and Eastern Europe militarily and diplomatically, as well as economically?

What changes should the United States and its allies make in the current deployment and capability of those military forces?

If it is at all reassuring to our witnesses this morning, I only hope they will know answers to just some of these questions. I do not expect, either in open or closed session, to get the answers to all of them, but these are the questions we will have to be thinking through in the weeks and months ahead.

After today's hearings, the committee will continue to try to answer these and other challenging questions with testimony from current and former senior officials in the Defense Department, U.S. military commanders in the field and outside experts from the United States and Europe, as well as Japan.

To a large degree, the central question of these hearings will be the extent to which the threat on which our past national security policy, military strategy and defense budgets were based as to how that threat is changing and how we should respond.

We have invited a distinguished panel of witnesses to address the specific issue at the hearing this morning. I would like to welcome Judge William Webster, the Director of Central Intelligence, Lt. Gen. Harry Soyster, the Director of the Defense Intelligence Agency, and Brig. Gen. R.J. O'Lear, the Director of Intelligence for the U.S. European Command. Each of these witnesses has been asked to present his assessment of the changing nature of the threat facing the United States and its allies.

The committee wanted to conduct as much of this hearing in open session as possible. I have had several conversations last week with Director Webster, as well as Secretary of Defense Cheney, and we have decided to have the witnesses make an unclassified statement in the open forum.

However, after conferring with Judge Webster and Secretary Cheney, as well as coordinating with Senator Warner, we have decided to receive amplifying statements in the closed session that will follow this open session and we have agreed to withhold questions for the closed session.

Senator Warner, do you have any opening remarks before we hear from our witnesses?

Senator **Warner**. Mr. Chairman, I would like to insert a rather lengthy statement that I have prepared and just to observe the following:

Against this background of dramatic change that we have seen worldwide, no one could have predicted in any detail these dynamic events. Likewise, no one today, in my humble judgment, can predict with any certainty the future.

It is against that background that we prepare our work here in the Congress as a partner with the President of the United States in devising the appropriate amount of funds to be authorized and eventually appropriated for the military forces of our country, together with laying down a strategy for the utilization of those forces and for the planning for the future.

I do want to mention several thoughts that perhaps relate more to the future of our forces. I think that the new strategy must depend on greater mobility, both sea and air, increased sustainability of those forces that we project beyond our shores, increased reliance on strategic defenses, increased emphasis on intelligence, reconnaissance, surveillance and special operation capabilities, increased emphasis on cruise and extended range weapons, stealth technology, improved communications with emphasis on commonality, and above all, research and development.

The thing that I think we have to fear the most is that at some future time there could be a reversion in the Soviet Union, and that reversion could be accompanied by extremism, threats of a nuclear nature to use their remaining strategic forces, which in no way have diminished throughout this cycle of change, as leverage against this country, and therefore, paramount in all of our consideration for planning in the future should be maintaining a modern, strategic deterrent force.

Thank you , Mr. Chairman.

[The prepared statement of Senator Warner follows]

OPENING STATEMENT OF SENATOR JOHN WARNER

Thank you, Mr. Chairman. I join you in extending a warm welcome to these distinguished witnesses and thank them for testifying before this committee. This hearing marks the beginning of the committee's fiscal year 1991 Department of Defense budget review. I look forward to working with the Chairman and other members of the committee during what promises to be a year of challenges without precedent for the defense budget.

We begin these hearings in the dawn of incomprehensible change in world politics. In less than 6 months we have witnessed dramatic events in Eastern Europe, the Soviet Union, and the Peoples Republic of China. Mr. Gorbachev's policies of perestroika and glasnost forge ahead despite questions of their long-term success, and promised Soviet Warsaw Pact reductions of 1 year ago likewise move ahead. We have seen a strong, determined process of democracy, founded on essentially nonviolent movements, roll over entrenched Communist bureaucracies. The promise of free elections for all Eastern European countries has now been given. And most astonishingly, we have seen the opening of the Berlin Wall and the free movement to the west of the east German people. No one could have predicted in any detail these dynamic events; likewise, no one today can predict in detail the outcome of tomorrow. This realism makes planning for our national security equally uncertain.

Therefore we must seek to obtain the most prudent, objective analysis of the threat to justify every dollar of defense spending. And second, if reductions are justified based on a revised threat, those reductions must be made consistent with the unique, once in a century opportunity for balanced, verifiable arms control agreements covering conventional as well as strategic forces.

While these historical events offer the hope of peaceful changes which may significantly reduce the likelihood of global war, we must also factor in the potential for political and military instability in the Eastern bloc as it struggles toward democracy. Further, the United States is a global power and the changes in Europe do not lessen our responsibilities in, for example, the Pacific region or to meet the ever-present Third World and terrorist contingencies.

In witnessing these dramatic changes, we have also seen a Soviet Union increasingly fraught with nationalist and ethnic unrest, an economy that shows an inability to fulfill the needs of its people, and a Soviet leader whose continued control of power is increasingly questioned because of the formidable and seemingly indomitable problems facing his nation. However, our strategy must be based on the threat, not upon Gorbachev the man, or his continuance or departure as leader of the Soviet Government.

The pace and success of the evolution of democracy in certain East European countries is also far from clear. An increasingly restless East German public, for example, provides a waning Communist party with possible justification to thwart democratic reforms. While the East German Government has not yet used force, the use of such force cannot be ruled out in the future.

We all hope that such events will not lead to a reversal in the encouraging trend toward democracy around the world. But as recent events in Tiananmen Square demonstrated, seemingly immutable democratic reforms can be reversed.

I raise these concerns not because of any pessimistic assessment about the future of democratic reform in the Soviet Union and Eastern Europe per se, but because of calls by some for immediate and dramatic reductions of our U.S. forces before the outcome of such reforms are more clear. We must remember, American forces are not deployed overseas to protect only our allies, but primarily because it is in the U.S. national security interest. Collective security is not a zero-sum game. Stability and peace are requirements if economic powers such as the United States are to thrive. Instability in Europe is not in our interest.

For over 40 years NATO has been a beacon of stability and peace. In the aftermath of World War II, we saw how the absence of U.S. presence on European soil invited into the vacuum the forces of evil. We must resist efforts to dismantle the Alliance. We must better understand the prospect of success for democratic change in the Soviet Union and Eastern Europe before we make any revisions in our NATO participation. Indeed, we must understand how our actions regarding NATO and Europe as a whole can have a dramatic impact on the changes which may or may not occur. Our decisions must be based on facts, not conjecture. Nevertheless, the bipolar European balance of power of just 6 months ago was clearly more predictable and stable than the emerging multipolar Europe that we see today. We are entering into a potential multipolar Europe similar to that which evolved from the Congress of Vienna nearly 200 years ago, and which, if not managed properly, could return Europe to a state of relative instability and conflict.

The prospect of such a modern multipolar regime raises many issues to be considered in the development of our new security arrangements around the world, in particular, Europe. What is the future of NATO and American participation therein? What are the implications of a unified Germany on the European balance of power and collective security? What are the implications of independent political and military actions by a group of East European countries? And, most importantly, what are the implications for our national policy of a Soviet Union that is increasingly unable to redress its failed economic system in order to compete against the more successful economies of the West? As we look back, we can safely observe that today we are less able to see a clear view of the future world than has been the case at any time since World War II.

In developing a future strategy for the United States and NATO, however, we must continue to assess not only the long- and short-term intentions of other countries, but more importantly, their current and projected capabilities. Intentions can change overnight. Capabilities to defend against an aggressor require many years to build. If American forces are removed from Europe or any other foreign country, we must understand that they cannot be easily redeployed if a former adversary's intentions change or another crisis arises.

I welcome, then, this opportunity to hear expert witnesses provide the committee with an assessment of the changing threats to the United States. I commend the Chairman for organizing these hearings for, as he has reminded us on numerous occasions, the threat drives strategy and strategy drives requirements. But as we review the threats around the world, we must be ever mindful that the Soviet Union still possesses a formidable military capability and that capability is still posed against the United States and NATO; Soviet strategic force modernization and deep underground shelter construction continues virtually unabated; theater nuclear modernization is still moving ahead; conventional forces, even after Soviet unilateral withdrawals are completed, still pose a significant military threat to Western Europe; and Soviet military production, while curtailed in certain areas, still out paces Western production by margins of two or three to one. In blunt fact, it is only their vast military capability which separates the Soviet Union from the struggling economies of nations in the Third World. I look to our witnesses to update the committee on these estimates for they are critical for determining the types of forces needed to defend U.S. security interests.

I hope, as the committee and Congress as a whole pursue their deliberations on the President's defense budget, that we do so with these considerations in mind. One thing is certain—the prudent approach is not unilateral cuts in U.S. military capability. The United States is currently engaged in the widest ranging set of talks in the history of arms control. From strategic arms to chemical weapons, the United States is negotiating agreements that will, when ratified, significantly change our military posture. But these changes in our military capabilities are best done in the negotiating forum, not as the result of arbitrary budget cuts.

Therefore, we should not undercut the efforts of our arms control negotiators and that of our allies who so far have resisted similar calls to unilaterally reduce their forces. During meetings of the Senate Arms Control Observer Group of which I am a member, our negotiators have made it very clear that such unilateral cuts are counterproductive to successful negotiations. In short, the arms control process offers the best means by which we can ensure that reductions in military forces are accomplished in a manner that promotes true stability and peace.

Unilateral cuts alone, while they would achieve reduced forces, would lose the beneficial monitoring provisions that are attained only through the treaty process. Intrusive monitoring would be of incalculable value to the United States and to our Western allies, should the Soviet Union ever experience a return to its past ways. A successor government of the Soviet Union could easily reverse and restore unilateral cuts in the absence of a treaty framework.

A return to past Soviet behavior is the biggest risk we must consider in re-ordering our priorities and restructuring our own defenses. Any Soviet reversal is likely to be accompanied by instability within and beyond the Soviet Union. In view of the unpredictability of events which would accompany such a reversal, we cannot discount extremism—even desperation and nuclear blackmail—as forces which may be used by a desperate Soviet Government taking drastic steps. Our nuclear deterrent must remain, in both perception and reality, uncontestable by any foreign power.

The dynamics of today's budget process coupled with the changing international environment requires the defense department to reexamine the roles and missions of our military services. Needless to say, duplicity is no longer affordable.

A new strategy must be devised along these lines: (1) greater mobility—sea and air; (2) increased sustainability of the projection forces; (3) increased emphasis on intelligence, reconnaissance surveillance and special operations capabilities; (4) emphasis on strategic defenses; (5) cruise and extended range weapons; (6) stealth technology; (7) improved communications with emphasis on commonality; and (8) robust research and development.

Again, I welcome our witnesses and look forward to their testimony. Thank you, Mr. Chairman.

Chairman NUNN. Thank you very much, Senator Warner. Any other opening statements this morning? I see Senator Glenn and Senator Cohen. Senator Glenn?

Senator GLENN. Just very briefly, I am glad we are getting this briefing this morning. There are obviously great changes going on.

This is mainly an intelligence briefing, obviously. We do not want to address all of our military problems in this particular hearing, but I would say that at the time of greatest uncertainty is the time of our greatest need for intelligence, so I hope that we are not in the process of cutting back on funding for intelligence support—at the same time we are obviously going to be making some cuts in military matters this year.

To me, the time of greatest change, and the time when we are entering into arms control agreements that undoubtedly will unfold over the next year or so, are the times when we need, if anything, an increase in our intelligence activity.

So I just wanted to make the statement that I hope that in the new budget the President will submit to us in a few days, I hope we see, if anything, increased resources going into intelligence and not the opposite—not cutting because we have a euphoric view of what is going on right now, welcome though that may be. I would welcome any comments you might wish to make on that matter in your testimony. Thank you, Mr. Chairman.

Chairman NUNN. Thank you very much, Senator Glenn. Senator Cohen?

Senator COHEN. Thank you, Mr. Chairman. Let me associate myself with the remarks of Senator Glenn and also Senator Warner, and perhaps just offer a few modifications.

There is a great deal of discussion today about whether or not these changes in Eastern Europe and the Soviet Union are going to produce a major peace dividend. The question is, how much is that dividend going to be, and when is the check going to be delivered?

I think that two critical elements are involved, obviously, in obtaining that peace dividend. One would be in the field of arms control. I would like to take this opportunity to associate myself with the position articulated by the National Security Adviser, Brent Scowcroft, that we have an opportunity and ought to pursue a policy of eliminating certainly the mobile MIRVed systems.

Second, I think we have to be much more discriminating in the weapons systems that we build. In a recent interview, a former Chairman of the Joint Chiefs of Staff, Adm. William Crowe, offered this comment: he said, "If the threat is down"—and that is why we are hear today, to find out whether, indeed, the threat is down—"and a lot of these things you want so badly are not as important as you thought they were, can the Air Force afford a B-2 that might put the rest of the Air Force out of business?"

That was the question that Admiral Crowe raised and I think it is a critical one, because last year we learned, for example, that the cost of the B-2 would be roughly $70 billion, without taking into account the operation and maintenance figures and those figures actually drive the price up by more than 50 percent.

If you did a little calculation on the figures it would show that the cost per troy ounce of a B-2 is more than three-quarters the cost of a troy ounce of gold. That means the B-2 would cost less if it were made out of 18 karat gold.

Now, I do not happen to think that the B-2 is worth its weight in gold, given the circumstances that we face, having a diminished defense budget. I think the mission of the B-2 can, in fact, be carried out with less expensive alternatives, and it is my hope, Mr. Chairman, that our arms control negotiations would be shaped to reflect a pursuit of those alternatives. I will have more to say on this subject.

Chairman NUNN. Thank you, Senator Cohen. Are there any other opening statements? Senator McCain, or Senator Gorton?

Senator MCCAIN. Thank you, Mr. Chairman. This time of significant cuts in defense spending clearly calls for significant restructuring of the defense establishment. Not only do we need better intelligence, as my friend from Ohio said, but we also need better assessments of what the threats to this Nation's security are throughout the world.

As is well-known, for several years I have urged a better net assessment and a better public net assessment of the threats that this Nation faces in order that the American people may have a better understanding of the threats that exist.

I would hope that the witnesses today would help us in informing the American people, so they can take part in this debate, which will ensue in the coming weeks and months as we decide not only the level of defense spending but how our Nation's defenses should be structured.

I doubt many Americans know that there are 25 conflicts taking place throughout the world as we speak. I hope that that net assessment of threats to this Nation's security would prevent us from falling prey to proportional cuts, or pork barreling, or both;, which is all too easy unless there is a clear understanding of the strategy which this Nation must pursue in order to preserve our preeminent position in the world.

Thank you, Mr. Chairman.

Chairman **NUNN**. Thank you, Senator McCain. Senator Gorton?

Senator **GORTON**. Mr. Chairman, I think it is totally appropriate that you begin this year with an extensive set of hearings over the threat with which the United States is faced, and over, in theory and in practice, what kind of defense establishment we should seek to have, given the profoundly different world in which we live, even from the day of adjournment of the first session of this Congress.

This is an appropriate way to begin it, but I know we will be listening not only to professionals in our military services but to representatives of other allied services and perhaps from some East bloc countries as well as a number of academics.

I think at the same time we need to look realistically at the proposition that the proposal which we are about to get from the President represents not what we will end up with at the end of this year, but an absolute ceiling.

It is the belief of this Senator that the number of nominal dollars devoted to defense for fiscal year 1991 will in fact be fewer than the number of nominal dollars which are being devoted during the year 1990. I think we are likely to get most of that money out of our force structure.

I am inclined to think, from the perspective of technology, there will be a real assessment as we go down sharply in force structure, to continue to be on the cutting edge of that technology.

I certainly reserve judgment on the proposal outlined by my friend, Senator Cohen. I am inclined to think there may be a greater need for a B-2 rather than a lesser one. At the same time, there will be technologies which we have discussed and debated fiercely in the course of the last 6 months which undoubtedly will bite the dust.

But to come up with a theoretical justification under which we restructure our armed services to meet the actual need and the actual threat, rather than simply to engage in some kind of across-the-board cut, is very, very important, and this series of hearings, as a result, is vital to the decisions we will be making during the balance of the year.

Chairman **NUNN**. We have already identified one debate. There will be many more to follow. Senator Wirth?

Senator **WIRTH**. Thank you, Mr. Chairman. I did not intend to say anything, but everybody seems to be getting in a footnote here.

I, for one, would like to commend you on holding this set of hearings. Second, as we listen to every member talk about the profound changes that surround this debate and the reflection of those changes in the world which must be found in our defense structure, we cannot forget the other half of the world, the Asian half.

We have been obsessed by changes in Europe, and rightfully so. The appearance of U.S. forces in Korea, the perception of the Koreans and the Japanese of what the Soviets are doing, their perception of our Navy and our Navy's unwillingness to engage in the kind of changes that everybody else is involved with, our deployment on the peninsula of Korea, all of these are going to present yet another set of challenges in a different theater.

I just returned from an absolutely astonishing trip to Korea and Japan, and look forward to sharing that with you, Mr. Chairman, and the other members of the committee. We have our work cut out for us.

I thank you very much, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wirth. If there are no other opening statements, let me just make a brief comment.

Senator Exon?

Senator EXON. Mr. Chairman, I want to congratulate you for holding these hearings.

I want to suggest that those of us in the Armed Services Committee who have been key players in the buildup of the national defense and security interests of the United States are going to find it extremely more difficult now to find ourselves on the other side of playing key roles in making reductions in the overall national defense expenditures.

It seems to me that the hearings you are starting with this morning, Mr. Chairman, are just one of several that we are going to have that are going to go deeply into this matter.

Above everything else, what we are seeking from these witnesses today, and the witnesses who will follow, will be expertise and advice that I think all of us on this committee feel that we need to make the intelligent decisions on where to make the cuts.

I want to echo the statements that I have heard others make here this morning. The worst thing of all would be a machete type of approach. Certainly, when we are going to have to make some significant reductions, we have got to have the testimony on record, and some of it in closed session off the record, to make the determinations that are going to be very important in the whole strategic area, which happens to come under the jurisdiction of my Subcommittee of Strategic Forces and Nuclear Deterrence, but also in all of the other areas.

I am delighted that you are starting this meeting this morning with these witnesses, who indeed are key players in advising us what they feel is the threat. Then we will have to interpret that as we see fit in the reductions and eventual authorizations that are made for all of our Armed Forces.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Exon. Let me pause here for one moment and have the statements of Senator Dixon and Senator Thurmond inserted for the hearing record.

[The prepared statements by Senators Dixon and Thurmond follow:]

PREPARED STATEMENT BY SENATOR ALAN J. DIXON

Mr. Chairman, today's hearing is the beginning of a series this committee will hold prior to reviewing the fiscal year 1992 defense budget. We are to receive testimony on the changing nature of the threat facing the United States and its allies. Appearing before us today are representatives from the Central Intelligence Agency, the Defense Intelligence Agency and the United States European Command.

We on this committee and others in Congress and in the administration will need, more than ever the best possible intelligence on what is happening in Eastern Europe and the Soviet Union. Each of the countries of the eastern bloc are in the process of changing their forms of government, and we are all delighted to see this course of events. But the changes occurring with such rapidity place added pressure on this committee as we begin our review of the defense budget for the coming year and for the near future.

If we do not have the proper intelligence I can see the possibility that instances will occur where the United States could make serious mistakes. Now is not the time to have our leading intelligence agencies working at cross purposes. Let me propose just one possible hypothesis: the East German Government has indicated that they are not going to ask for the withdrawal of Soviet troops. Yet the people of East Germany take to the streets to demand the withdrawal, and they attack the Soviet troops! What will be the response of the Soviet Union, what will be the response of the West German Government should the Soviet troops begin to attack the East German people? Will NATO become involved? What should the response of the United States Government be to this situation?

The President and the Congress must have the best intelligence available. We cannot base today's actions on the American mind set of the last 45 years. As the Soviet empire crumbles, it will be tragic if we win the battle but lose the war because of miscalculation or misunderstanding. America responded to the post- World War II world magnificently in the face of a Stalinist Russia. We can do no less now in the face of a non-Stalinist Russia.

Mr. Chairman, I look forward to hearing from today's witnesses. Thank you.

PREPARED STATEMENT BY SENATOR STROM THURMOND

Mr. Chairman: I look forward to the coming year and working with you, Senator Warner, the distinguished ranking member, and all the members of the committee. This year will present us with many challenges. I am confident that under your and Senator Warner's leadership, the Armed Services Committee will play the preeminent role in shaping our Nation's military forces as we begin the last decade of the 20th century.

Although the Nation's fiscal crisis will certainly play an important part in shaping our country's Armed Forces, the overriding determinant must be the threat that is facing us. Since we last had a formal briefing on the threat, significant changes have occurred in the world. We all know that the countries of Eastern Europe are throwing off the yoke of communism, and that Secretary Gorbachev is following through on his promise to change the shape of the Soviet military forces.

Politicians and ordinary people, both here and abroad, are hailing these "revolutionary changes." They suggest that we can make drastic reductions in our Armed Forces and bring home our forward deployed forces.

Mr. Chairman, after both world wars our Nation drastically reduced its forces because we thought the threat had ceased. We all know what it cost our Nation—in terms of money and lives—to rebuild our military forces. Let us not make the same mistake.

Be assured that I look forward to the fruition of the changes that are happening in Eastern Europe and the Soviet Union. I also believe that some reductions in our defense budget can be made to reduce our deficit. However, our reductions must be based not on what we wish to happen, but what is actually happening.

We all are aware that Secretary Gorbachev's reforms are facing internal challenges and—in some instances—open opposition. We also know that not all the Communist party officials have given up power, but have merely changed their stripes.

We also cannot ignore the remainder of the world. China and North Korea are still powerful Communist dictatorships. Third World countries have developed ballistic missiles and there are reports of the development of nuclear weapons by these same nations.

Mr. Chairman, I expect that this committee will be under considerable pressure to make cuts in the defense budget. I advocate a cautious approach. This committee should err on the side on spending too much on maintaining a strong defense. We may not be able to survive a repeat of the days prior to World War II and the Korean War.

Judge Webster, General Soyster and General O'Lear, I welcome you to this, our first hearing of the session, and I look forward to your testimony. The information you present today and that of later witnesses will be critical to this committee in establishing what the appropriate level of funding will be for our Nation's military forces not only for fiscal year 1991, but for the remainder of the decade.

Thank you, Mr. Chairman.

Senator NUNN. Just for the benefit of the committee members, as well as interested people in the public, we will have a hearing tomorrow morning with outside experts Mr. Phil Karber, Mr. Ted Warner and Mr. Richard Perle, again on the subject of the threat. That will be an open session.

On Thursday, we will have a hearing in the morning with witnesses from Great Britain, from Germany, from France and from Japan, giving us their views of the threat. These are all well-known people in foreign policy and events in those countries.

We will also have an executive session on the Stello nomination Thursday afternoon to discuss where we are going on that one.

On Friday, we have a unique opportunity to hear from the Subcommittee on Defense Cooperation of the North Atlantic Assembly. They will be meeting and actually testifying. It will be the first time we have actually had them testify, although we have known these parliamentarians for a long time.

Then, next week, we will hear from former Secretary of Defense Schlesinger, and then we will also hear on Thursday, February 1 from Secretary Cheney and General Powell on the posture of our military. I have asked the Chairman, General Powell, to lead off with a net assessment.

I know, Senator Warner, you have been one of those most involved in pushing for that as a beginning point, and I hope that we will have a good discussion of the net assessment before we get into the details of the budget. Senator McCain has been very involved in that, also. Although we will get into the budget details the day General Powell testifies, I hope we will hear his views on a net assessment.

Then on Friday, February 2—to give you a 2-week view—we will be hearing from former Chairmen of the Joint Chiefs, Admiral Crowe, General Vessey and General Jones. That should give us some idea of the first 2 weeks, and we will have many hearings after that.

Judge Webster, we appreciate your being here this morning. I know it is rare for you to appear in open session on a broad subject like this. We appreciate your being willing to go in to the public, because I think it is enormously important that we have as much public discussion in this area as we can.

We have seen the threat change on television every night with the dramatic changes in the Warsaw Pact, and I think it is important for the American public to understand that those of us in the

Congress, as well as in the executive branch, are indeed looking at this changed threat as the foundation on which we build the budget which we will be asking the American people to pay for.

So we appreciate your going public, as well as General Soyster and Brigadier General O'Lear, and we will be reserving our questions for the executive session as stipulated and agreed.

Judge Webster?

STATEMENT OF HON. WILLIAM H. WEBSTER, DIRECTOR OF CENTRAL INTELLIGENCE

Judge **Webster**. Thank you, Mr. Chairman. I welcome this opportunity to testify before this committee on the subjects which were raised in your letter of January 9, and as you requested I will devote most of my remarks to the changes in Eastern Europe and the Soviet Union and their implications for the United States.

General Soyster, Director of DIA, and General O'Lear, Director of Intelligence of the U.S. European Command, will treat the global military balance and the balance of forces in Europe in greater detail.

Although the events in the Soviet bloc have been the most striking and surprising in recent months, other issues—weapons proliferation, narcotics and terrorism, the situations in Latin America, Asia and the Middle East—also impact significantly on our security and require continued intelligence commitments. I will, of course, be pleased to answer the committee's questions on my testimony and any related subjects.

The outcome of President Gorbachev's attempt to modernize the Soviet economy and to rejuvenate its political system is still in doubt. Although we should welcome many of the changes taking place, it is important also to remember that the outcome in Eastern Europe and, indeed, in the Soviet Union, is uncertain and the situations there are in flux.

Overall, the conventional threat to the United States and our alliance partners in Europe has decreased as a result of changes in Eastern Europe and Soviet force reductions, but Soviet strategic forces continue to be modernized and their military research and development programs continue to receive generous fundings. Notwithstanding the crisis affecting the country as a whole, Soviet strategic forces remain unimpaired. For these reasons, it is essential that we maintain a strong intelligence capability.

Soviet leaders will be preoccupied with domestic problems for years to come. Economic performance, the Communist Party's diminishing power and the escalating demands of non-Russian nationalities will remain serious problems.

Gorbachev typically responds to challenges by initiating new reforms, but this has generated demands for even more rapid change. Although he has attempted to slow reforms in some areas, he is committed to implementing a sweeping decentralization and liberalization of the Soviet system.

A major reversal of his policies could only come with his removal. While this does not seem likely now, there can be no doubt that mounting turmoil and greater economic distress will be of great concern to hardliners and many others in the Soviet Union as well.

Nonetheless, we can probably expect a continued diminution of Soviet threats to U.S. interests. Gorbachev and any successors will have even more pressing need than in the past few years to reduce the burden of defense spending and to transfer resources to civilian production.

Important changes have occurred in the strategic arena. Last year, for the first time, there was a reduction in the number of strategic Soviet launchers as older systems were retired more rapidly than new ones were introduced. START force levels have become the baseline for Soviet strategic planning, and new Soviet programs have been altered accordingly.

Nevertheless, the bulk of the evidence about Soviet strategic forces and programs shows a vigorous, broad-based modernization effort that is improving their overall strategic capabilities. Two new silo-based ICBM systems were deployed last year, and the survivability of Soviet forces has been enhanced by the continued deployment of SS–25 road-mobile and SS–24 rail-mobile ICBMs.

New Typhoon and Delta-IV ballistic missile submarines were launched and additional Delta-IVs are under construction. Their future ballistic missile submarine force will be smaller, but subs will be equipped almost entirely with more capable long-range missiles.

New Blackjack strategic bombers have also been deployed, but in smaller numbers than previously projected—a cut-back that goes beyond what is required by START.

The Soviets continue to modernize all elements of their strategic defense forces. The antisubmarine warfare effort has made some important gains, but the Soviets will be unable, at least in this decade, to seriously threaten U.S. subs in the open ocean. Air defense modernization is also proceeding on various fronts, and the new Moscow ABM defense became operational last year.

Thus, despite dramatic change in the Soviet Union and Eastern Europe in the near to mid-term, there is likely to be significant continuity in the strategic arena and no decrease in the Soviet strategic nuclear capability. The continued modernization of Soviet strategic forces makes it essential that intelligence support be capable of monitoring their capabilities so that our own programs remain adequate.

Turning to Europe, the changes in Eastern Europe and the Soviet Union unavoidably affect both the political and military aspects of the NATO alliance. The central question is the future of Germany. Because of the very rapid change in the Warsaw Pact countries and the uncertainty of the outcome, the United States and its allies will need to remain in close coordination on issues that affect all of us. If the committee desires, I will be happy to address these issues more fully in closed session.

In Eastern Europe unchallenged Communist control has ended, and the ties of those regimes to Moscow have been fundamentally altered, but the internal situations in most of the countries will remain clouded probably for an extended period.

Some will have great difficulty in trying to develop democratic and market systems, but a return to Stalinist dictatorships is unlikely.

We have kept a close watch as the USSR has unilaterally reduced its forces in the European theater in the last year. Its drawdown appears to be on schedule with what President Gorbachev promised in his United Nations speech.

As a result, Soviet and Warsaw Pact strength and capabilities have declined. The reductions lengthen the time it would take for the Soviets to mobilize for any significant attack in Europe.

In addition, Soviet military influence in Eastern Europe is diminishing because of the force reductions, the expectation of further Soviet drawdowns through a CFE agreement and the changed political environment in the region, Moscow is not likely to be confident, therefore, of Eastern European readiness to respond to Soviet requirements.

In Asia, continuity and change will challenge U.S. interests in East Asia as well. In particular, our concerns about the military strength and intentions of North Korea's dictators remain high. The regime there is isolated, undermined by a weak economy and committed to reinforce its already formidable armed forces.

Dialogue with South Korea so far has not confirmed that Pyongyang wants to alter its antagonistic relationship with Seoul.

China's crackdown on demonstrators in Tiananmen Square last spring followed by its return to more traditional doctrines has thus far affected the tone more than the direction of its foreign policy.

More popular discontent and protests or a split in Beijing's leadership remain profound sources of instability.

The attempted coup against Philippine President Aquino last December is the latest symptom of the continuing threat to her government. Military discontent, political disputes and the Communist insurgency are likely to persist.

In Cambodia the success of the resistance in seizing territory has called into question the staying power of the Vietnamese-installed Han Sen regime. At the same time, however, the relative strength of the Khmer Rouge compared to the noncommunist forces has raised concern that Phnom Penh's collapse would open the way for the Khmer Rouge without a diplomatic settlement that constrains the Khmer Rouge. The prospect is for sustained fighting that will likely diminish the chances for the installation of a transitional regime that could lead to a democratically elected Cambodian Government.

In the Middle East local antagonisms remain a major danger. As a result of the improved U.S.-Soviet relations regional leaders will be inhibited in their traditional game of pitting the superpowers against each other. As a result, local disputes are now less likely to trigger East-West confrontation, but may be more likely to occur.

We may now have a better chance of achieving a resolution of the conflict in Afghanistan that brings stability to that country and the region while allowing the Afghans to determine their own future.

Increased Soviet flexibility and moderation will also present new challenges. Gorbachev's policies have already gained Moscow greater access to moderate regimes such as Egypt and Saudi Arabia, better relations with Iran, including expanded military ties could also develop, but will be constrained by the situation in Azerbaijan and by a number of factors.

The anti-U.S. stances of Iran and Libya probably will be slower to change, and we remain concerned about the terrorist threat these regimes pose to the United States.

Finally I want to mention two key Middle East-related issues that will continue to have a major impact on U.S. interests.

Oil. Western dependence on Persian Gulf oil will rise dramatically. By the year 2000, Gulf states will supply an estimated 40 percent of western oil up from about 30 percent today. Meanwhile, U.S. dependence is expected to rise from about 10 percent to roughly 25 percent by the end of the decade.

Turning to the Arab-Israeli peace process, if the peace process does not advance over the next several years, the Intifadah is likely to become more violent. Terrorism will probably rise, and Arab pressure on the United States to impose a settlement will increase.

In Latin America the United States will confront widely divergent challenges and some, including the narcotics problems that I will discuss shortly, could get worse.

Fidel Castro's regime is increasingly vulnerable to the vagaries of world change as well as to its serious declining economy and spreading domestic discontent. As Castro comes under growing pressure, he is likely to respond harshly at home and internationally and possibly take actions that could confront U.S. interests.

The guerrilla offensive last November in El Salvador was in significant part made possible by help from Nicaragua and Cuba. Despite major losses, the Marxist insurgents in El Salvador will continue to pressure the Cristiani government.

The situation in Nicaragua remains in flux as the February elections approach. The Sandanistas have used their control of government machinery to bolster their fortunes and constrain the opposition.

For example, they have used state-owned vehicles for campaign purposes and distributed land and food in the hope of winning electoral support. They not only have outspent the opposition by orders of magnitude, but they have tied up in red tape U.S. electoral aid to the opposition and to independent groups.

The presence of several thousand men in the Nicaraguan resistance inside Nicaragua and the Sandanista refusal to renew a ceasefire ensure that sporadic fighting will continue through the elections. The Sandanistas have attempted to portray the opposition coalition as the unarmed wing of the resistance.

The Endara government in Panama should enjoy a relatively strong political position because of broad public support, a solid majority in the legislature and reasonably good relations with the security force. The opposition parties in Panama are disorganized, but some leftist and nationalist opposition eventually will emerge.

Over the longer term the government's prospects will hinge largely on its handling of the troubled economy.

Turning now to trans-national issues, weapons proliferation. Ballistic missiles are being developed or acquired by a growing number of countries, including some that support terrorism. This is a particularly alarming prospect because many of them are also in the advanced stages of developing nuclear, chemical and biological warheads that could turn ballistic missiles into weapons of mass destruction. As a result, regional problems that have been of lesser policy importance to the United States could become significantly more urgent.

Most missiles likely to be fielded in the Third World over the next 5 years will have ranges of less than 1,000 kilometers, but by the year 2000 at least six countries probably will have missiles with ranges up to 3,000 kilometers. At least three of them may develop missiles with ranges of up to 5,500 kilometers.

In addition, four of the countries developing missile capabilities have either nuclear weapons or advanced nuclear weapons programs and by the end of the decade, four more countries could be added to the nuclear list.

In terrorism the main threat remains trans-national terrorism emanating from the Middle East. Some terrorist groups from that part of the region have the capability to operate in many parts of the world. Several of the Middle Eastern governments that used to promote terrorism against Western interests, Iraq, Libya and Syria, have not been as active lately. Iranian-supported terrorists are the most dangerous ones active right now.

Turning to narcotics, in Colombia the Barco government is utilizing some 80,000 personnel to take the narcotics fight to an increasingly vicious drug industry. This has resulted in numerous cocaine seizures and equally importantly the extradition of 13 traffickers since last August.

Peruvian guerrillas are increasingly active in narcotics processing. Military action against the insurgents in the remote Peruvian valley where 60 percent of the world's cocaine originates has had little effect. Levels of violence and the need for external assistance are likely to grow substantially.

The counternarcotics center that I created in 1989 is the focal point for the intelligence contribution to the battle against drugs. In supporting the anti-drug effort, our strategy is to focus on the most critical links in the narcotic supply chain.

But, the battle will become even more challenging. Traffickers will shift their operations to more remote areas and to nations where narcotics production is now insignificant. Global demand for drugs is growing. Successful interdiction will introduce new smuggling routes and clamping down on drug money in key financial centers will encourage proliferation elsewhere.

In conclusion, Mr. Chairman, there can be no doubt that the conventional military threat in Central Europe has declined. The survival of democratic aspirations in Eastern Europe, despite four decades of totalitarian oppression is a testimony to the nobility of the human spirit. These happy results are also a consequence of the steadfastness and persistence with which our allies have defended the principles we cherish.

At the same time, the dangers inherent in rapid and unpredictable global change will require that we remain firm and vigilant in our commitment to our national interests.

Mr. Chairman, that concludes my statement.

Chairman NUNN. Thank you very much, General Webster. General Soyster?

STATEMENT OF LT. GEN. HARRY E. SOYSTER, USA, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

General SOYSTER. Thank you very much, Mr. Chairman. I am pleased to have this opportunity to offer the Defense Intelligence Agency's views on the military implications of the events in the Soviet Union and Eastern Europe as they pertain to the United States and to satellite security interests. I will follow up by touching very briefly on threats to our interest in other regions of the world.

Last week, during the extraordinary East-West seminar on military doctrine held in Vienna, Lt. Gen. Nikolai Chervov, the chief arms-control expert on the Soviet general staff, stated that there will be a major restructuring of the Eastern bloc's military command apparatus.

Though he refused to go into details, his statements suggest that in the future the eastern alliance would probably be governed by heads of State or government. This would abolish Moscow's chief means of enforcing Communist Party discipline and exerting direct control over its allies' military forces in Eastern Europe.

Asked about the implications of such a pronouncement, General Powell responded that "Clearly there is a transformation taking place in the Warsaw Pact," adding that he believes "the Warsaw Pact alliance is shifting in its character to a more political institution."

He said that based on his discussions with each of the Warsaw Pact's military chiefs, they "seem to be making, in some cases, unilateral judgments with respect to their production activities," and "with respect to their force structure," though they "continue to say they are part of an alliance."

As the Director of DIA, I believe there is indeed a transformation taking place in the Warsaw Pact. On balance, I believe the threat of deliberate aggression directed against Europe and its extension to global conflict is much reduced. Nevertheless, Soviet capabilities are still formidable, and the situation we face is very unpredictable.

Over the past several months, DIA has been involved in a number of departmental and community assessments of the continuously unfolding events that are dramatically reshaping the European security environment.

The Soviet and Warsaw Pact unilateral conventional arms reductions announced a little over a year ago are about half completed. In purely military terms, the immediate effect of these on-going drawdowns is to increase the amount of time the Pact would need to reconstitute its previous threat. This should provide time for U.S. and West European authorities to respond with deterrent measures and offsetting military activities. This judgment assumes an effective NATO deterrent.

Given the recent sequence of events in Eastern Europe, the Soviets must factor political changes there into future military planning equations. I believe these changes in Eastern Europe reduce the Soviet Union's confidence and capacity to wage coalition warfare.

If Moscow judges its allies' forces to be unreliable, they would likely be forced, now, to adopt a defensive posture in the event of a crisis that could lead to war. In light of these developments, I believe that the Soviets would consider large-scale theater operations against NATO with only their own forces as highly risky, if not impractical.

By the mid-1990s, growing, independently-developed political and economic relationships will likely lead to the phase-out of the Pact's collective military security role. A new series of security agreements between the Soviet Union and East European nations could emerge.

The rapid turn of events in Eastern Europe may accelerate the removal of Soviet forces and may speed the evolution toward such a new security order. Even if a new order does not come to pass, CFE reductions to parity and/or additional unilateral force cuts reportedly being considered will likely preclude successful ground operations against NATO for other than limited objectives without significant regeneration of Soviet forces.

In the post-CFE period, the Soviets could retain some strategic reserve capability outside the CFE Treaty zone. If moved back into the zone, this reserve could give the Soviets significant combat potential for offensive operations against post-CFE NATO forces. However, Soviet generation of such forces would take a significant amount of time.

Although Soviet post-CFE forces will be smaller, we expect capabilities to be enhanced through technological modernization. Soviet military planners appear to believe that new, non-nuclear weapons which employ emerging technologies can increase the effectiveness of conventional forces to levels of those achievable today with some tactical nuclear weapons.

Even as the Soviets are unilaterally withdrawing some Soviet ground forces opposite NATO, they continue to reorganize and modernize their general purpose forces. Modern Soviet tanks, newer, more capable fighter aircraft, and new submarines, destroyers and cruisers continue to enter the Soviet inventory each year.

Modernized nuclear forces will retain potent capabilities and have increased survivability. Even after INF and expected START Treaty reductions, the Soviets will likely be able to satisfy their critical nuclear targeting requirements as effectively as with their current arsenal due to on-going force modernization.

I will now shift briefly to the other side of the globe. There has been some reduction of forces in Mongolia and Cam Ranh Bay, and Soviet statements indicate further drawdowns are planned. At the same time, I would anticipate that Soviet forces in the Far East theater will make qualitative improvements in the 1990s.

In summarizing the Soviet and East European situation, clearly there is reason for both optimism and caution regarding events affecting our security interests. The threat of superpower military conflict has significantly receded. Nevertheless, Soviet force modernization will provide Moscow potent strategic conventional forces which will remain capable of posing a significant threat to the United States and allied security interests.

In concluding, Mr. Chairman, I would be remiss if I were to leave you with the impression that the world of tomorrow will necessarily be safer than the world of today. Regional instability and economic duress will pose greater challenges to United States interests. The advance and proliferation of technology, particularly for nuclear, chemical and biological weapons combined with aspirations to regional power by many nations, will present an array of new and more sophisticated threats.

In short, Mr. Chairman, while we are hopeful for continued progress in reducing the prospects for superpower confrontation, we must not ignore the many other pressing challenges to our interests worldwide.

Thank you, sir.

[The statement of General Soyster follows:]

PREPARED STATEMENT BY GENERAL SOYSTER, DIRECTOR, DEFENSE INTELLIGENCE AGENCY

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THE EUROPEAN SECURITY ENVIRONMENT TODAY

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Given the recent sequence of events in Eastern Europe, the Soviets must factor political changes there into future military planning equations. I believe these changes in Eastern Europe reduce the Soviet Union's confidence and capacity to wage coalition warfare. If Moscow judges its allies' forces to be unreliable, they would likely be forced now to adopt a defensive posture in the event of a crisis that could lead to war. In light of these developments, I believe that the Soviets would consider large-scale theater operations against NATO with only their own forces as highly risky, if not impractical.

THE POST CFE ENVIRONMENT

By the mid-1990s, growing, independently-developed political and economic relationships will likely lead to the phase out of the Pact's collective military security role. A new series of security agreements between the Soviet Union and East European nations could emerge. The rapid turn of events in Eastern Europe may accelerate the removal of Soviet forces and may speed the evolution toward such a new security order. Even if a new order does not come to pass, CFE reductions to parity and/or additional unilateral force cuts reportedly being considered will likely preclude successful ground operations against NATO for other than limited objectives without significant regeneration of Soviet forces.

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Although Soviet post-CFE forces will be smaller, we expect capabilities to be enhanced through technological modernization. Soviet military planners appear to believe that new non-nuclear weapons which employ emerging technologies can increase the effectiveness of conventional forces to levels of those achievable today with some tactical nuclear weapons.

Even as the Soviets are unilaterally withdrawing some Soviet ground forces opposite NATO, they continue to reorganize and modernize their general purpose forces. Modern Soviet tanks; newer, more capable fighter aircraft; and new submarines, destroyers and cruisers continue to enter the Soviet inventory each year.

Modernized nuclear forces will retain potent capabilities and have increased survivability. Even after INF and expected START Treaty reductions, the Soviets will likely be able to satisfy their critical nuclear targeting requirements as effectively as with their current arsenal due to ongoing force modernization.

SOVIET FORCES IN THE FAR EAST

I will now shift briefly to the other side of the globe. There has been some reduction of forces in Mongolia and Cam Ranh Bay, and Soviet statements indicate further drawdowns are planned. At the same time, I would anticipate that Soviet forces in the Far East theater will make qualitative improvements in the 1990s.

In summarizing the Soviet and East European situation, clearly there is reason for both optimism and caution regarding events affecting our security interests. The threat of superpower military conflict has significantly receded. Nevertheless, Soviet force modernization will provide Moscow potent strategic and conventional forces which will remain capable of posing a significant threat to U.S. and Allied security interests.

OTHER GLOBAL CHALLENGES

In concluding Mr. Chairman, I would be remiss if I were to leave you with the impression that the world of tomorrow will necessarily be safer than the world of today. Regional instability and economic duress will pose greater challenges to U.S. interests. The advance and proliferation of technology, particularly for nuclear, chemical, and biological weapons, combined with aspirations to regional power by many nations, will present an array of new and more sophisticated threats. In short, Mr. Chairman, while we are hopeful for continued progress in reducing the prospects for superpower confrontation, we must not ignore the many other pressing challenges to our interests worldwide.

Chairman NUNN. Thank you, General Soyster. General O'Lear?

STATEMENT OF BRIG. GEN. R. J. O'LEAR, USAF, DIRECTOR OF INTELLIGENCE, U.S. EUROPEAN COMMAND

General O'LEAR. Mr. Chairman and distinguished members of the Senate, on behalf of General Galvin, my boss and the Commander in Chief of the European Command, I welcome the opportunity to contribute to your examination of the threat facing Western Europe. Prior to addressing the estimate of the threat, it may be helpful to review the mission of the command, since this is an open hearing.

As the Commander in Chief of the United States European Command, General Galvin is responsible for U.S. military activities in

Europe, parts of the Middle East and most of Africa. It is an area that encompasses some 13 million square miles and 77 countries.

As the intelligence director of the U.S. European Command, my staff and I assist General Galvin in collecting, analyzing and disseminating intelligence relevant to the European Command area of interest.

General Galvin, in addition to commanding U.S. forces in Europe, also serves as the Supreme Allied Commander Europe, and is responsible to the North Atlantic Treaty Organization. He commands the theater from his Allied Command Europe Headquarters, SHAPE, near Mons, Belgium, while the deputy commander, Air Force four-star General McCarthy, and the European command staff operate from their headquarters near Stuttgart, Germany. Our mission in European Command is to deter war and, should deterrence fail, to employ military forces in defense of U.S. interests.

The military threat in Europe today and over the next 5 to 10 years must be viewed in the larger context of the many changes we have alluded to today and are witnessing in both East and West Europe. These changes will have a lasting effect on the world as we know it.

Europe is an exciting and dynamic place, and the current rate of change is greater than at any time since the end of World War II. This dynamic situation is having and will continue to have a significant effect on NATO, the United States and our European Command.

As we plan for the future, changes in both the East and the West will present us with many challenges and opportunities. The threat we face tomorrow will be greatly influenced by the changes that are underway today. You are all well aware of these changes—for example, perestroika, glasnost, reform movements, nationality issues, sovereignty issues and military reductions.

In the present political environment in Europe, an initiative on one side tends to prompt a reaction or event on the other side. This interaction of events is presenting NATO, the United States and the European Command with an extremely dynamic challenge. Our overall task at the European Command is to assess these many changes, anticipate the future and attempt to capitalize on what we view as growing opportunities.

I must emphasize that we are not omniscient and certainly do not have all the answers. Just as the European environment is changing rapidly and dramatically, so, too, is the threat posed by the Soviet Union and its Warsaw Pact allies.

In December of 1988, General Secretary Gorbachev announced unilateral reductions. We believe the reductions were prompted by a variety of economic, political and military factors. It is also apparent that Mr. Gorbachev wanted to use these dramatic announcements to seize the public relations initiative.

Today's environment is, however, fostering a climate in which significant arms control agreements that reduce conventional force levels are not only highly desirable but also highly probable. We have an opportunity, therefore, to reduce the threat significantly by drawing down forces to parity levels in the relatively near future.

Until the many uncertainties we discuss today become more clearly defined, however, and until parity is achieved, the Soviet Union, with or without its allies, does remain a significant threat to NATO.

We in the European Command are doing our best to assess the dynamic and complex European situation in which we serve and enhance stability and predictability during this uncertain period of transition and opportunity in a manner which best achieves the United States' objectives.

In conclusion, Mr. Chairman, Europe is an exciting place to serve and live in the United States military, especially now, as an intelligence officer. I hope we will be able to talk about some of the significant changes that are occurring in East and West, the rate of which is so phenomenal as to make meaningful assessments out of date almost as they are produced.

It is a hopeful time as democratic reforms are initiated in the East, but is also an uncertain period which presents numerous challenges and opportunities. Attitudes, responses and behaviors which we have grown to accept as the norm over the past 4 decades are changing to an extent that reliable predictions are difficult to make.

Mr. Chairman, I appreciate the opportunity to appear before your committee today, and look forward to discussing many of the specific details in the closed session.

[The statement of General O'Lear follows:]

PREPARED STATEMENT BY BRIG. GEN. R.J. O'LEAR, DIRECTOR, INTELLIGENCE DIRECTORATE U.S. EUROPEAN COMMAND

Mr. Chairman and distinguished Members of Congress, on behalf of General Galvin, Commander in Chief, U.S. European Command, I welcome this opportunity to contribute to your examination of the threat facing Western Europe. Prior to addressing our estimate of the threat, it may be helpful to review the mission of the U.S. European Command.

As Commander in Chief of the U.S. European Command, General Galvin is responsible for U.S. military activities in Europe and most of Africa, an area encompassing over 13 million square miles including 77 countries, 43 percent of the world's nations. As the Intelligence Director of the U.S. European Command, my staff and I assist General Galvin in collecting, analyzing and disseminating intelligence relevant to the European Command area of interest. General Galvin, in addition to commanding U.S. forces in Europe, also serves as the Supreme Allied Commander Europe, responsible to the North Atlantic Treaty Organization. He commands the theater from his Allied Command Headquarters (SHAPE) near Mons, BE, while the deputy commander, General McCarthy, and the EUCOM staff operate from the U.S. Headquarters near Stuttgart, GE. Our mission is to deter war and should deterrence fail, employ military forces in defense of U.S. interests.

The military threat in Europe today and over the next 5-10 years must be viewed in the larger context of the many changes we are witnessing in both East and West Europe that will have a lasting effect on the world as we know it. Europe is an exciting and dynamic place with the current rate of change greater than anytime since World War II. This dynamic situation is having and will continue to have a significant effect on NATO, the United States, and the U.S. European Command. As we plan for the future, changes in east and west Europe will present us with many challenges and opportunities. The threat we face tomorrow will be greatly influenced by the changes underway now.

You are all well aware of these changes (e.g., perestroika, glasnost, reform movements, nationality and sovereignty issues, and military reductions). In the present political state, an initiative or action on either side tends to prompt a reaction or event from the other. This interaction of events is presenting NATO, the United States and EUCOM with an extremely dynamic challenge. Our overall task at the European Command is to assess these many changes, anticipate the future, and attempt to capitalize on the growing opportunities. I must emphasize—we are not omniscient and certainly do not have all the answers.

Just as the European environment is changing rapidly and dramatically, so too, is the threat posed by the Soviet Union and the Warsaw Pact. In December 1988, General Secretary Gorbachev announced unilateral reductions. We believe the reductions were prompted by a variety of economic, political and military factors. It is also apparent that Gorbachev wanted to use the dramatic announcement to seize the public relations initiative.

The environment is fostering a climate in which significant arms control agreements, which reduce conventional force levels, are not only desirable but highly probable. We have an opportunity, therefore, to reduce the threat significantly by drawing forces down to parity levels in the near to mid-time frames. Until the many uncertainties we discussed today become more clearly defined and parity is achieved, the Soviet Union (with or without its allies) does remain a significant threat to NATO. We in U.S. European Command are doing our best to assess the dynamic European situation in which we serve, and enhance stability and predictability during this uncertain period of transition and opportunity in a manner which best achieves U.S. objectives.

Europe today is an exciting place to live and serve in the U.S. military, especially as an intelligence officer. I hope my remarks help to highlight some of the many significant changes that are occurring in East and West Europe at a rate so phenomenal as to make meaningful assessments out-of-date almost before they are produced. This is a hopeful time as democratic reforms are initiated in the east, but also an uncertain period which presents numerous challenges and opportunities. Attitudes, responses, and behaviors which we have grown to accept as the norm over the past 4 decades are changing to such an extent that reliable predictions are difficult to make.

Chairman NUNN. Thank you very much, General O'Lear.

Judge Webster, General Soyster, General O'Lear, we appreciate very much your being here. Even though we are not asking questions in this open session, and we have many, I think that having your opening testimony and laying the foundation is extremely helpful, and I hope it will be helpful to the public. We will be getting into the details in the Intelligence Committee Room, which is right next door.

The open session of this hearing is now adjourned, and we will be back here tomorrow morning at 9 a.m.

[Whereupon, the open session of the hearing adjourned at 9:57 a.m.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

WEDNESDAY, JANUARY 24, 1990

U.S. Senate,
Committee on Armed Services,
Washington, DC.

CHANGES IN THE SOVIET THREAT

The committee met, pursuant to notice, at 9:05 a.m., in room SH-216, Hart Senate Office Building, Senator Sam Nunn (chairman), presiding.

Present: Senators Nunn, Exon, Kennedy, Dixon, Glenn, Wirth, Warner, Cohen, McCain, Gorton, Lott, and Coats.

Committee staff members present: Arnold L. Punaro, staff director; and Daniel Sakura, research assistant.

Professional staff members present: Robert E. Bayer, Robert G. Bell, John J. Hamre, William E. Hoehn, Jr., David S. Lyles, T. Kirk McConnell, and Michael J. McCord.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Brian D. Dailey, George W. Lauffer, and John E. Mansfield, professional staff members.

Staff assistants present: Lori Jackson, Mary J. Kampo, Kelli J. Pronovost, and Debra A. Rice.

Committee members' assistants present: Andy Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, Milton D. Beach, and Donald A. Mitchell, assistants to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; Terence M. Lynch, assistant to Senator Shelby; C. Richard D'Amato and Melvin G. Dubee, assistants to Senator Byrd; James M. Bodner, assistant to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Jack D. Crouch II, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT BY SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order.

The committee meets this morning to continue its series of hearings on the implications of the recent dramatic changes in the

Soviet Union and Eastern Europe on our national security policy, our military strategy and ultimately our defense budgets.

Yesterday the committee received testimony in public and in closed session from Judge Webster, Director of Central Intelligence, General Soyster, Director of the Defense Intelligence Agency, and General O'Lear, Director of Intelligence for the U.S. European Command.

This morning we are fortunate to have as our witnesses three highly respected experts on Soviet military issues who are well known to this committee: Mr. Phil Karber, who is the Senior Vice President for National Security Programs at BDM Corporation.

Phil, I understand you have been ill with the flu, and we are particularly grateful to you for showing up this morning and hope that it is not too much strain on you.

Our second witness is Richard Perle, former Assistant Secretary of Defense for International Security Policy and currently a resident fellow at the American Enterprise Institute. We will be pleased to have Richard here. I am sure he is probably on his way.

Our third witness is Ted Warner, a Senior Defense Analyst at RAND Corporation. We have heard from Ted on many occasions. We are delighted to have you back again this morning, Ted.

Are there any other opening remarks?

Senator EXON. I have a short opening remark, Mr. Chairman.

Chairman NUNN. Senator Exon.

Senator EXON. Mr. Chairman, I just want to thank you again. This series of hearings that we are holding I think is probably the most important with regard to the threat assessment, because the threat has so obviously changed.

As this committee proceeds with these hearings, I just welcome the guests that we have here this morning because they are all experts in their own field.

Certainly the changes in the Soviet domestic and foreign policy are most important and certainly during the last few months indeed remarkable. We are on the threshold, I suggest, to reap the dividends of a strong national allied defense at the negotiating table in the upcoming talks; yet, optimism must have some caution, caution which embraces a forward-looking defense policy emphasizing a link between the strength and the actual threat.

Mr. Chairman, I look forward to the excellent testimony this morning and thank you once again for these most informative hearings.

Chairman NUNN. Thank you, Senator Exon.

Senator Cohen or Senator McCain.

[No response.]

Chairman NUNN. If not, we will start off with Mr. Karber this morning, and then we will go to Ted Warner. I am sure I have a message that Richard Perle is on his way, so we will put him third in line and hear from the other two first.

Before I proceed I will enter into the record the prepared statements of Senator Warner and Senator Thurmond.

[Prepared statements of Senator Warner and Senator Thurmond follow:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

Thank you, Mr. Chairman. I want to extend a warm welcome to the witnesses. The committee has benefited from your testimony in the past and I look forward to hearing your analysis of the situation in Europe again, today. It is also useful for our budget deliberations to hear the testimony of such thoughtful and respected observers of defense and NATO alliance issues.

Yesterday the committee heard testimony from the American Intelligence Community on the changing nature of the threat to the United States and our allies. The assessment presented to us was indeed a complex picture of changes and restructuring of forces which has apparently resulted in a reduction in the likelihood of war in Europe. It is not clear, however, to what extent the situation in Europe will remain stable, and I am most interested in hearing from our witnesses today if they agree with these assessments.

While current Soviet actions and the evolving situation in Eastern Europe offer the prospect of peaceful changes which, in turn, may significantly reduce the likelihood of global war, we must also factor in the potential for political and military instability in the Eastern bloc as it struggles toward democracy. We have seen a Soviet Union increasingly fraught with nationalist and ethnic unrest, an economy that shows an inability to fulfill the needs of its people, and a Soviet leader whose continued control of power is increasingly questioned because of the formidable and seemingly indomitable problems facing his baton. Consequently our strategy must be based on the threat, not upon Gorbachev the man, or his continuance or departure as leader of the Soviet Government.

The pace and success of the evolution of democracy in certain East European countries is also far from clear. An increasingly restive East German public, for example, provides a waning Communist party with possible justification to thwart democratic reforms. While the East German Government has not yet used force, the use of such force cannot be ruled out in the future.

We all hope that such events will not lead to a reversal in the encouraging trend toward democracy around the world. But as recent events in Tiananmen Square demonstrated, seemingly immutable democratic reforms can be reversed.

I raise these concerns not because of any pessimistic assessment about the future of democratic reform in the Soviet Union and Eastern Europe per se, but because of calls by some for immediate and dramatic reductions of our U.S. forces before the outcome of such reforms are more clear. For over 40 years NATO has been a beacon of stability and peace. We must resist efforts to dismantle the alliance. We must better understand the prospect of success for democratic change in the Soviet Union and Eastern Europe before we make any revisions in our NATO participation. Indeed, we must understand how our actions regarding NATO and Europe as a whole can have a dramatic impact on the changes which may or may not occur. Our decisions must be based on fact, not conjecture.

The Intelligence Community informed the committee during yesterday's hearing that while the Soviet threat has receded in the European theater, it has by no means ended. The Soviet Union still remains a formidable threat in Europe, even after their unilateral withdrawals. Moreover, as we review the threats around the world, we must be ever mindful that the Soviet Union is still modernizing its strategic nuclear forces and deep underground shelter construction continues unabated; theater nuclear modernization is still moving ahead; and Soviet military production, while curtailed in certain areas, still outpaces Western production by margins of two or three to one. In blunt fact, it is only their vast military capability which separates the Soviet Union from the struggling economies of nations in the Third World.

Again, I look to our witnesses to provide us with the their thoughts on the evolving threats around the world for it will be useful during the budget process this year for determining the types of forces needed to defend U.S. security interests during this time of constrained budgets.

Thank you, Mr. Chairman.

PREPARED STATEMENT BY SENATOR STROM THURMOND

Mr. Chairman:

I want to express to you and Senator Warner my congratulations on the manner in which you have scheduled these initial hearings.

Although the members of this committee are all aware of the revolutionary changes which have occurred in Eastern Europe, many of us have not had the opportunity to evaluate their impact. As this committee begins its deliberations on the fiscal year 1991 Defense authorization, I believe it is imperative that we have available to us the views of many sources regarding the type of threat our Nation will face in the coming years.

Yesterday's hearings and those scheduled for today and over the next several days, will provide us that information. Although the Nation's fiscal crisis will certainly play a key part in shaping our country's Armed Forces, the overriding determinant upon which we will base our decisions must be the objective threat.

Many individuals, both in this country and overseas, are willing to take the changes in Eastern Europe at face value and proclaim an end to the Soviet threat. Based on their evaluations they are willing to make radical cuts in our defense budget.

Mr. Chairman, we heard yesterday that the conventional threat to both our Nation and Europe has been reduced. However, we also heard that there is no decrease in Soviet strategic capability and that the changes in both the Soviet and Eastern Europe are not locked in concrete.

I expect that this committee will be under considerable pressure to make substantive reductions in the President's proposed defense budget. I hope that the members of the committee will carefully evaluate what is being presented to us in these hearings. In this century, our Nation has twice decimated its Armed Forces on the premise that we no longer faced a threat. In both cases, we regretted the action.

Mr. Karber, Mr. Perle, and Dr. Warner, I welcome you and look forward to your testimony. You are all recognized for your expertise. Be assured that your evaluation of the Soviet threat is important to this committee and will contribute to the evaluation our Nation's defense requirements.

Thank you, Mr. Chairman.

Senator NUNN. Phil.

STATEMENT OF PHILLIP A. KARBER, SENIOR VICE PRESIDENT FOR NATIONAL SECURITY PROGRAMS, THE BDM CORPORATION

Mr. KARBER. Mr. Chairman, members, last spring you asked me to testify on the implications of the changing military balance for conventional arms control. At that time last spring the jury was still out in terms of exactly what the Soviets meant and how they would implement the Gorbachev unilateral reductions that he had announced at his December 7 speech, so I thought today I would start with just a brief scorecard of that process and then move to look at the change in the Eastern European military threat as well.

If one looks back at the last year, one can essentially say that Gorbachev and the Soviet military did what he said he was going to do at the UN. Remember, it is a 2-year process. They are only halfway through. He identified that he was going to pull out six tank divisions and 5,000 tanks, main battle tanks, from Central Europe.

We can account for three divisions that have been pulled out, one from Hungary and two from East Germany. About 2,800 main battle tanks can be fairly authoritatively identified as having been withdrawn. They were not taken out of stocks. They were not old junkers. They were reasonably modern tanks. Likewise the majority of the divisions and other combatant units withdrawn were sitting astride the major invasion routes, particularly weighted against where our front was weakest in the northern part of West Germany. So in a general sense, that trend is going very well.

There are a number of ambiguities in terms of the implementation of what he did not say; that is, he did not promise to pull out the latest infantry fighting vehicles and carriers, and we have not seen those numbers go down. Various Soviet interpretations and amplifications after Gorbachev's speech implied that they would pull out all the equipment of the divisions that were withdrawn. That still is somewhat ambiguous.

Likewise, the aircraft counts have fluctuated up and down. It is very hard to find a count anywhere that would approximate the numbers that Gorbachev had said he would do. I do not want to over exaggerate that. I just point out that when you hear from intelligence sources and from the administration that there is still a lot of ambiguity and uncertainty, in my view that is true.

Hopefully a year from now we will be able to say that, yes, it is all gone. And even if the Soviets just do what Gorbachev specifically implied in his speech, or said in his speech, in my view that would be a very valuable military reduction in Soviet offensive potential in Eastern Europe.

Ironically, the most significant aspect of that speech was not really the Soviet military reductions, even though that is what most of us focused on and certainly that is what I focused on initially. Rather, in that speech he also talked about Eastern Europe having the right of self-determination.

It seems to me that if historians later look back at the momentous events of this last year and hopefully permanent trends in terms of democratization of Eastern Europe and they look for a single point, a turning point in time, I think it will be that Gorbachev initiative. He has clearly unleashed a set of forces in a dramatically different direction than any Soviet leader had before, perhaps even beyond his own expectations.

In terms of Eastern Europe, following the Soviet announcement of unilateral cuts, virtually every member of the Warsaw Pact during the spring and early summer also announced that they were "peace loving" unilateralists also, and thus were going to join the parade with their own cuts. Some of them were more specific and more militarily significant than others. Some appeared to be just sort of throwing old equipment and reserves on the table so they could have something to say.

Those restructurings, however, are going on. Over 70 percent of the Soviet and East European divisions located in Eastern Europe today are in the process of either withdrawal, restructuring or major reductions. It is the largest, most momentous military restructuring since the immediate post-war period. In the past 40 years, we have never seen that amount of military movement and activity and change.

Generally, those trends in the East European countries are very similar to what we see in the Soviet units; that is, a reduction in the tank-heavy formations, some increase in infantry vehicles and anti-tank weapons. This trend is not inconsistent with the concept of a modern combined arms force but reflects much more balance in terms of defense and offense, less heavily weighted to seizing someone else's territory as opposed to protecting their own.

Likewise, with the political changes in Eastern Europe the East European military, in my view, are with varying degrees, and we can go from country to country, a lot less likely to be a loyal and enthusiastic ally of a Soviet attack on the West. In past Soviet strategic offensive planning the East Europeans played a number of functions that are important to remember. Not only were they expected to provide a secure rear area for Soviet forces so that Soviets could attack the West, but they were expected to take on major NATO Corps sectors and at least keep them tied down.

My own view is that the majority of those armies today would not be able to function offensively and attack across that border. That does not mean that the military leaderships of those countries have suddenly changed stripes. Most of them were trained in Moscow; many are relatively conservative vis-a-vis political change; most of them are fairly aghast at a high degree of public disorder. Nonetheless, I think they also have long had a national orientation, not only ideological.

It is interesting that at least in one country's case a besieged leadership asked the Soviets to intervene on their behalf to rescue the situation from the popularity democratization management. The Soviets turned them down. Then, according to fairly authoritative sources, that same East European leadership turned to its own military, and they also refused to intervene. I think that is a dramatically different situation than it would have been even 1 or 2 years ago.

So in terms of Eastern Europe, the likely capacity of the East European armies to participate in an attack or help the Soviets participate in an attack is dwindling rapidly. I am not sure where it will go. I am not sure they know.

Optimistically, if one listens to what the East Europeans are saying, they do not want to be members of the Warsaw Pact. They are not interested in Soviet forces offering them occupation in the guise of protection. They would like them to leave. Both Hungary and Czechoslovakia have directly asked the Soviets to withdraw their forces as soon as possible. Even the East Germans have taken some Soviet comments about the desirability of removing all superpower forces by the end of the century and encouraged the Soviets to speed it up.

I would not be surprised to see the Soviets this time next year or shortly thereafter at least having agreed on a time schedule for withdrawal of all Soviet forces from Czechoslovakia and Hungary. I think for them pulling out of East Germany is a much harder lump to swallow.

First of all, leaving aside the historical animosity and casualties they suffered from Germany, the Soviets feel that they have the right to be in East Germany, they feel that they have a legal position as one of the Four Powers. Even some of the most reformist Soviet and Gorbachev spokesmen have said that they are not going to unilaterally abrogate their rights in East Germany without Four-Power agreement, the point being that there is going to be some heavy negotiation involved.

I believe that as long as the Soviets have a significant residual military capability in East Germany, they will also have some troops stationed in Poland under the argument of needing a secure line of communication.

As we look beyond this year and next, it seems to me that what has dramatically changed is that the defense of the West has moved from the inner-German border 700 kilometers east—at least to the Soviet Polish border. Where 2 years ago in testimony before this committee I would have stressed, indeed did stress, the importance of the military dimension in providing for the security of the

West, today I think the political stability and economic development of Eastern Europe is equally important—as critical to our stability and security as it is to their own domestic harmony.

We should, in my view, do everything possible to try to promote that. With the rapid pace of events there have been—a number of people who have drawn the conclusion that politics has finally gotten ahead of arms control; that maybe the CFE conventional arms control negotiations are "passe" or obviated by events at the very moment they seemed easy.

My own view is that that is not the case. In fact, I think those negotiations are for tougher, and there are a lot more thorny issues involved, than the public has been generally led to believe. There is still some very tough negotiating—it is not a done deal. We should not, in my view, have the expectation that it is going to be an easy walk in the woods, nor that agreement will be quickly done.

I think that demeans the efforts of our negotiators and the difficulty of trying to get such an accomplishment. Nonetheless, I think it is more important than ever.

CFE will help calibrate the forces—the maximum forces—that can be brought not only to Eastern Europe, but that can be moved and deployed in the U.S.S.R. west of the Urals. Even if the Soviets would ultimately withdraw from all of Eastern Europe, it would be critically important for us to have constraints in terms of zones, levels of armaments, and type of equipment that could be redeployed within that geographic area. Just because of the sheer size of the Soviet military, the Soviet Union itself, their ability to bring pressure on any single country in disproportionate force is fairly high.

To the extent that we can get a negotiated agreement, it is worth its weight in gold to have those interior Soviet forces limited in not only residual quantities but also limited via barriers for their redeployment within Soviet territory west of the Urals.

Those are objectives that we are currently seeking in CFE. They are some of the reasons why those negotiations are tough. They are worthwhile objectives, and they are worth hanging tough to get.

Ultimately, an arms control agreement CFE is not going to establish a new diplomatic order. That will take a new "Congress of Vienna" or a series of East European and West European negotiations and diplomacy.

What arms control can do is reduce the military dimension and its impact on those negotiations. It can serve as a stabilizing framework. CFE provides a forum for not only our Western allies, but also the members of the East. Not just as members of a bloc or alliance, but as sovereign states, to be able to express their security concerns. So, it seems to me, that in the long term CFE serves as a security enhancement, a security blanket for a new political order—and as such will be more important than ever.

Last, there are a whole set of further negotiations that we would still like to accomplish. For example: negotiations for even lower force levels, not only in Eastern Europe, but also in the Western U.S.S.R., CFE 2, 3, 4, et cetera.

We would like to have negotiations on short-range nuclear systems. We are going to need to start establishing a framework and dialogue to exchange views on security, not just in the superpower context, but in a multi-polar context, so that East Europeans can have a mechanism to talk to West Europeans freely on security issues. I think CFE and the Vienna negotiations facilitate that.

In some, in many ways, we won the cold war. But, if it was a victory, it was a victory of values, not of force. It seems to me that in relishing that achievement, we ought to be magnanimous, not try and exploit it for short-term gains. Likewise, we need to be aware that there are a number of—as a Marxist might say—"internal contradictions" in Western defense policy and thinking, that are likely to be exacerbated by the rapidly changing developments.

For example, many in the West have expressed concern about German reunification. To me, it is very likely, at least in a de facto if not de jure sense, that the Germans are going to walk with their hearts and are already walking with their wallets. It seems to me as an American that it is not in our interest to suddenly reverse what has been our longstanding policy.

The second issue that is going to be challenging for us is the issue of NATO nuclear weapons. Our strategy of Flexible Response still has a first-use declaratory component to it. I think that first-use is of declining credibility and public legitimacy. It is going to be harder and harder to maintain that element of the strategy in any kind of public discourse within the alliance.

Moreover, there is the issue of targeting those countries, whatever the argument may have been of their contribution to a potential Soviet attack in the past, however coerced, and thus as legitimate targets, I do not think it is fair or correct or driven by military necessity to think of Eastern Europe as an aim point for our warheads. That is going to raise a whole series of questions about our short-range systems, how we try and bridge the credibility gap between short-range and long-range systems, indeed, the necessity and structure of those systems.

There is also the issue of U.S. troops in Europe. It seems to me that this is not the time to shoot for short-term gain or squander long-term diplomatic potential. This is not a bargaining chip argument to me. It is that we have already paid in a massive investment for over 40 years with our forces there. We have essentially achieved what we wanted. Now is the time to consolidate that. There are a number of potential instabilities. I do not think we should exacerbate them by short-term actions, that is, suddenly pulling out our forces in the next year or two.

Certainly, there are a number of alternative options. I laid them out and would be glad to bring them up, but will not go into them now in the interest of time, of different levels and structures that the United States might have in Western Europe.

I think the key point is not only to look at our force levels in terms of economics and in terms in burdensharing, but in terms of what those forces are expected to do and the international agreements around which cuts could be made.

Last, it seems to me that what we face is a situation where the administration, the Secretary of Defense, is coming in with a budget that is prudent. That is, that they are assessing the threat and saying there are a lot of uncertainties, a lot of areas of potential instability, and we are prudently not reacting to what we hope will be the correct direction of events. I personally endorse that.

On the other hand, I think there is a danger of what one might call "disjointed budget incrementalism." That is, that we hedge and hedge and finally things develop in a very positive way, but we have no direction or plan of what our own force structure should look like.

It seems to me that the West needs, what the United States needs at a minimum, is at least an alternative best case plan. That is one in which we look out to the mid-1990s to see—if Gorbachev survives, if Soviet forces are withdrawn from Eastern Europe, if nuclear weapons are significantly cut both at strategic and tactical level, that is, if the role of American forces vis-a-vis Europe are essentially to enforce an arms control agreement in a relatively stable environment—what kind of design would we want the American forces to have? We have a unique opportunity to think 5, 6 years ahead and try and design that force.

I am not arguing to implement it now, but, rather calibrate the implementation of that to the changes in the political climate. And as those happen, then kick in the next step of implementation. But if we do not set a direction of where our own force structure can go, you can bet that we are going to end up paying more and getting less in the long run.

We need, I think, to look beyond both the prudence of today and for once to look for a best case as opposed to a worst case planning contingency.

Thank you, Mr. Chairman.

[The prepared statement of Mr. Karber follows:]

CENTER FOR TECHNOLOGY AND PUBLIC POLICY

Summary of Testimony
Before the Senate Committee on Armed Services
January 24, 1990
Phillip A. Karber
Corporate Vice President and
Executive Director, Center for Technology and Public Policy
BDM International, Inc.
McLean, Virginia

- **Soviet Unilateral Reductions**
  - As of fall 1989, these are 50 percent complete (see attached).
  - The Soviets did what Gorbachev said they would do in division and tank withdrawals.
  - Considerable ambiguity remains regarding "net" effect of: IFV/APC, artillery, air, and unit restructuring.
  - By December 31, 1990, the second phase is scheduled to have been completed--then is the time for NATO to reassess the military significance.
  - Gorbachev's UN speech of December 7, 1989, was historic not only for the announced unilateral cuts, but for the chain of events in Eastern Europe which it unleashed.

- **The Armies of Eastern Europe are rapidly declining as an offensive threat to NATO.**
  - The good news--the Warsaw Pact is no longer a functioning military alliance:
    - The single biggest event of 1989 was the event that did NOT occur--neither the Soviets nor the East European military intervened to crush the democratic movements.
    - East European armies are undergoing massive reorganization, restructuring, and unilateral cutbacks.
    - Newly established democratic governments disinclined to be Soviet offensive cannon fodder, or even remain in the military integration of the Warsaw Pact.

  - Residual uncertainties:
    - Leadership of most East European armies still held by the old guard: close Soviet ties; strong commitment to "public order."
    - Continuing presence of Soviet forces in DDR and Poland; although we may see Soviet withdrawal from Czechoslovakia and Hungary.
  - For the 1990s, given current trends, the security of the West will be more dependent on East European economic recovery and political stability than the military balance.

- **Achieving a negotiated CFE treaty is more important than ever.**
  - Do not presume that CFE is a "done deal"--still very tough negotiations to go.
  - Differences in "details" remain crucial:
    - Weapons definitions prevent ambiguity and breakout.
    - Geographic sublimits critical for verification and early warning of violations.
    - Sufficiency criteria important in ensuring the Soviet Union does not retain disproportionate conventional military strength west of the Urals.
  - Ultimately, Europe needs a new Congress of Vienna, not a revised Potsdam. However, successful CFE I is a must step for:
    - Further negotiated reductions--CFE II, III, IV, etc.
    - Entering into negotiations on short-range nuclear forces.
    - Providing stable international framework in which the budding democracies in Eastern Europe can take a secure, constructive, and independent role in Europe.

- **The West has won the Cold War--as a victory of its values. However, the changed environment will require creative "new thinking" in American political and military relations with Europe.**

  - German reunification, de facto integration if not de jure sovereignty, is likely to be rapid, but is consistent with long-term American interests.

  - It is time to start rethinking the role of nuclear weapons in NATO defense strategy:

    - "Declaratory first use" is of declining military utility and political legitimacy--particularly with Eastern Europe as a target.

    - There are likely to be growing pressures for removal or reduction of U.S. delivery systems and warheads as a result of SRNF negotiations and waning support from allies.

    - However, France and Britain will be adamant in retaining their intermediate-range deterrence.

  - U.S. troops in Europe are NOT the moral equivalent of Soviet occupation forces in Eastern Europe.

    - However, the Soviets are likely to equate their presence with ours.

    - The threshold of the "American minimum" is dependent not only upon the proximity of and level of Soviet forces, but also driven by required mission and subsequent arms-control regimes:

      - "Current forward defense role" (two corps sectors and one rapid reinforcing corps): should not cut much deeper than CFE I proposal.

      - "Reduced forward defense" (one corps sector and one slower reinforcing corps): around 50 percent, if 50 percent cut in Soviet forward forces and complete Soviet withdrawal from Czechoslovakia and Hungary.

      - "Stabilizing presence" (two armored cavalry regiments, logistics infrastructure, two corps' POMCUS'ed equipment): 10 to 20 percent of current levels, dependent upon complete Soviet withdrawal of all "active divisions" and remaining assets stored in CFE garrisons, with on-site verification.

      - After a 45-year "strategic" commitment of U.S. forces in Europe, we should NOT squander that investment for short-term budgetary savings or imaginary burden-sharing schemes.

- **Now is the time to start planning for a "BEST-CASE CONTINGENCY FOR THE MID-1990s" design of U.S. military force structure:**

  - The Secretary of Defense has proposed a prudent posture and program based on what we know, not what we hope.

  - Rather than inflict incremental cuts in the short term, we need to begin working on an alternative "best-case" long-range force posture.

  - Without a long-range plan, we will end up spending more and getting less, but the "best-case option" should be calibrated to specific changes in the East-West competition:

    - Political events,

    - Military reductions, and

    - Arms control agreements.

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THE GORBACHEV UNILATERAL REDUCTIONS
AND THE
RESTRUCTURING OF SOVIET/WARSAW PACT FORCES

TESTIMONY BEFORE
THE HOUSE ARMED SERVICES COMMITTEE

SEPTEMBER 13, 1989

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National Security Programs

with

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UNILATERAL RESTRUCTURING

THE GORBACHEV DECEMBER 7TH SPEECH WAS PRESCIENT, BUT INCOMPLETE:

- LED WEST TO FOCUS ON IMPACT FOR THE CENTRAL EUROPEAN MILITARY BALANCE -- BUT, IF THE GORBACHEV UNILATERAL REDUCTION INITIATIVE SUCCEEDS -- THE IMPACT WILL BE STRATEGIC : THE RESHAPING OF THE ENTIRE SOVIET CONVENTIONAL MILITARY ESTABLISHMENT.

- GORBACHEV HAS UNDERTAKEN THE LARGEST RESTRUCTURING OF THE SOVIET ARMED FORCES IN THE POST-WAR ERA. IT'S REAL, NOT A PR GIMMICK OR SHORT TERM EASILY REVERSIBLE TACTIC. UNFORTUNATELY, WE DO NOT KNOW WHERE IT IS HEADED OR IF HE WILL SUCCEED.

- IRONICALLY, THE SOVIET MILITARY SEEM UNCERTAIN ABOUT THEIR FUTURE DIRECTION:
  - -- CONFLICTING STATEMENTS ON REORGANIZATION
  - -- CONFUSION ON THE 101 "DIVISION" CUT
  - -- HINTS AT A LARGE SCALE -- 50% REDUCTION OF USSR-BASED FORCES.

- THE WEST HAS REASON TO BE CAUTIOUS:
  - -- CONTRADICTIONS ON NEW UNIT STRUCTURES AND STATUS OF WITHDRAWN WEAPONS
  - -- DIVISIONS NOT "WITHDRAWN AND DISBANDED", BUT ASSETS DISTRIBUTED BEFORE TANKS AND FLAGS WITHDRAWN
    - -- YAZOV WAS WRONG:
      - -- "THE FORMATION AND UNITS BEING CUT WILL BE WITHDRAWN IN THEIR FULL STRENGTH..."
      - -- REGIMENTS AND EQUIPMENT FROM THE TANK DIVISIONS IN THE WGF ARE BEING REDISTRIBUTED
      - -- TANK REGIMENTS ARE BEING CONVERTED TO BMP UNITS -- NOT WITHDRAWN
  - -- PRECISE TALLIES OF EQUIPMENT WITHDRAWN, BUT VAGUE ON NEW ASSETS INTRODUCED -- NO SOVIET "NET ASSESSMENT."

SOVIET CLARIFICATION ON THE 101"DIVISION" CUT

"Finally, I tell you that such structure in the armed forces has allowed for keeping garrisons in our nation without a purpose or need for them. Because of this, we have smoothly transitioned, liquidating that which is superfluous and imitates our so-called divisions [diviziya]. 101 divisions [diviziya] have been liquidated. You feel that our army has been weakened? No, this was only the excess."

Mikhail Gorbachev, July 1989

"Mikhail Gorbachev has revealed that in the past years, 101 virtually unnecessary divisions have been liquidated. Yet how many of these excess - divisions [diviziya], districts and even armed forces units - still remain?"

Aleksey Pankin, international journalist and Historical Science Candidate. "The Army - for the People or for the Generals?" Moscow News, July 23, 1989

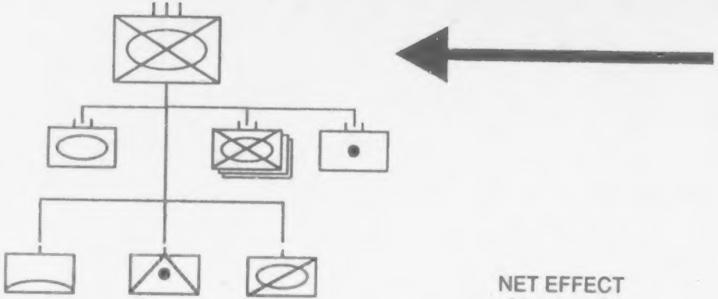
"The 101 formations being cut are included in the 500,000 reductions. They include not only larger divisions [soyedineniye] (for instance, the 6 tank divisions being withdrawn from the territory of allies) but mainly divisions with a small number of personnel, and also certain personnel units (brigades, regiments), and some ground forces, air force, and anti-air defense forces training centers. The reductions are to be completed by January 1, 1991. "

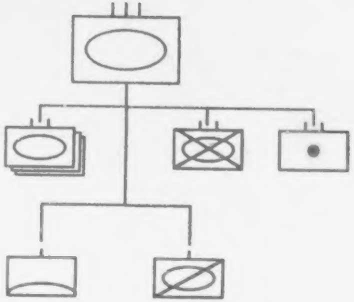
Statement by Soviet General Staff to CODEL Aspin

"During 1989 and 1990 the Soviet armed forces will be cut by a total of 500,000 officers and men. Land forces will be reduced by 24 motor rifle and tank divisions. A further 60 units will be disbanded in the Air Defense Forces, while the Air Force will dissolve the commanding structures of two air units, four air divisions and 19 wings....Twenty-four submarines and 45 naval surface ships will be scrapped. The command structures of four armies (two in the Transbaykal Military District, and one each in the Far Eastern and Turkestan Military Districts) and of three army corps (one in the Far Eastern Military District and two in the Turkestan Military District) will be disbanded. "

Vladimir Chernyshev, Tass, August 2, 1989

CONVERSION OF SOVIET TANK REGIMENTS TO MOTORIZED RIFLE REGIMENTS IN EACH REMAINING DIVISION



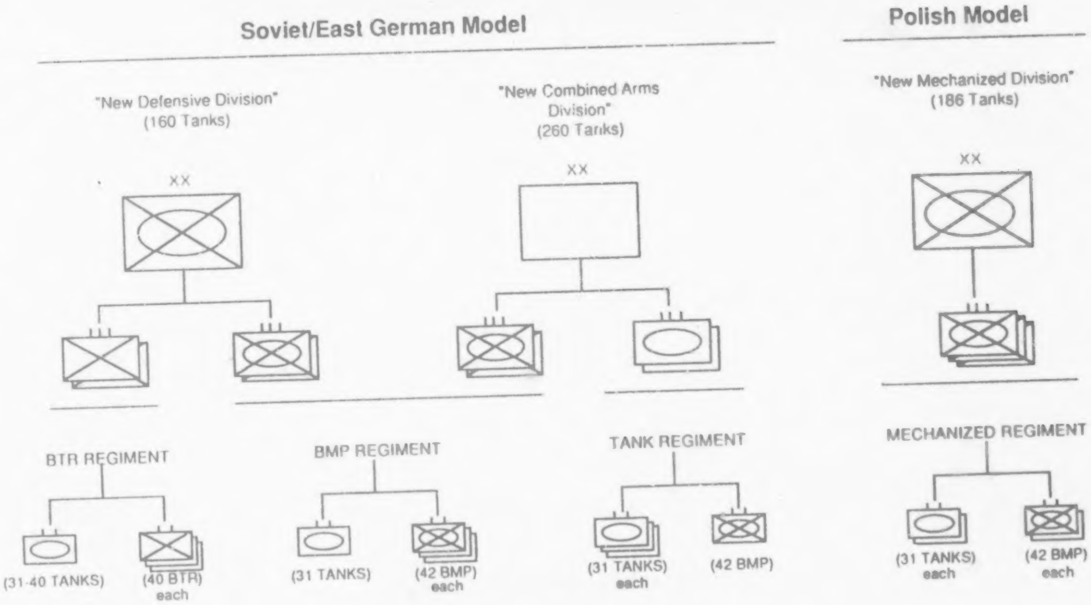


		NET EFFECT (- loss/+ gain)			
31*	T-64/T-72/T-80	-63	T-64/T-72/T-80	94	T-64/T-72/T-80
129	BMP-1/2	+87	BMP-1/2	42	BMP-1/2
18	122mmSP HOW.	←		18	122mmSP HOW.
18	120mm MORTAR	+12	120mm MORTAR	6	120mm MORTAR
4	SA-9/SA-13	←		4	SA-9/SA-13
30	SA-7/SA-14	+18	SA-7/SA-14	12	SA-7/SA-14
4	ZSU-23/4 or 2S6	←		4	ZSU-23/4 or 2S6
18	AGS-17	+12	AGS-17	6	AGS-17
140	RPG-16	+71	RPG-16	69	RPG-16
201	RPK-74	+120	RPK-74	81	RPK-74
2,225	Troops & Officers	+650	Troops & Officers	1,575	Troops & Officers

* 40 Tank battalion in the BMP regiment to be reduced to 31 per Soviet statements to CODEL Aspin

Source *The Soviet Army - Troops, Organization and Equipment*, FM 100-2-3, Hq., Department of the Army

NEW WARSAW PACT DIVISIONAL STRUCTURE



Soviet/East German Model

"New Defensive Division"
(160 Tanks)

"New Combined Arms Division"
(260 Tanks)

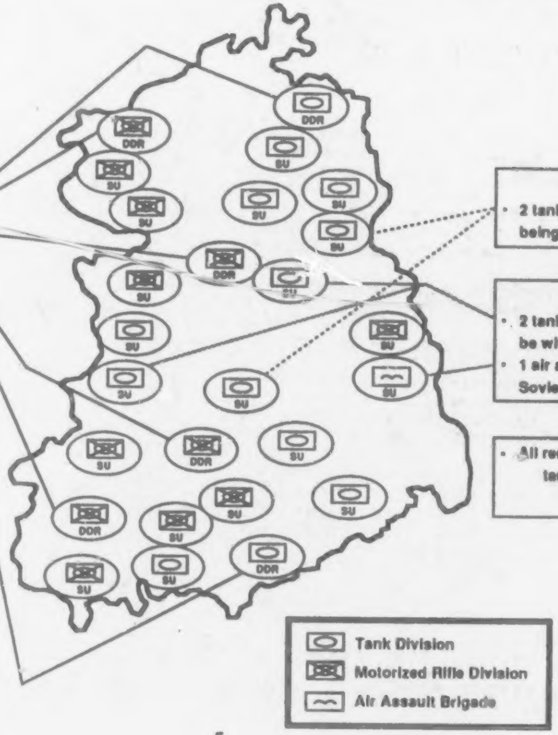
Polish Model

"New Mechanized Division"
(186 Tanks)

XX
XX
XX
BTR REGIMENT
(31-40 TANKS)
(40 BTR) each
BMP REGIMENT
(31 TANKS)
(42 BMP) each
TANK REGIMENT
(31 TANKS) each
(42 BMP)
MECHANIZED REGIMENT
(31 TANKS) each
(42 BMP) each

- Czechoslovakia force structure reorganization not announced
- Hungarian (and Bulgarian) forces restructured earlier on basis of Corps/Brigade structure

REDUCTION OF SOVIET/WARSAW PACT FORCES: EAST GERMANY


DDR
SU
Tank Division
Motorized Rifle Division
Air Assault Brigade

EAST GERMAN FORCES

6 Divisions each lose 1 tank regiment (conversion to BMP?)

SOVIET FORCES

1989
- 2 tank divisions from 20th Guards Army being withdrawn to Kiev Military District

1990
- 2 tank divisions from 3rd Shock Army to be withdrawn to Soviet Union
- 1 air assault brigade to be withdrawn to Soviet Union

- All remaining soviet divisions convert 1 tank regiment to a BMP regiment

ANNOUNCED REDUCTIONS OF SOVIET/WARSAW PACT FORCES IN EAST GERMANY

WESTERN GROUP OF FORCES
(By end 1989)

- 25th TD (Vogelsang), 32nd Guards TD (Jeuterbog) disbanded (20th Gds Army Eberswalde) -- partial withdrawal of these units occurred on 17 and 18 May, 1989 (TASS statements 17, 18 May 89)
- Tanks from 25th and 32nd TDs to be disbanded in Shdanovka and Krivoy Rog in Kiev MD (Lt. Gen. Fursin, *Neues Deutschland* 6-7 May 89)
- 2 tank training regiments (shifted to Soviet Baltic area and to Belorussia)
- 8 independent battalions
- Vislensky Guard Tank Regiment (from Jeuterbog) sent back to USSR (*Christian Science Monitor*, 22 May 89)
- One Airborne Assault Battalion withdrawn from Neues Lager Garrison between 10 and 20 Mar. (Dmitry Yazov, Defense Minister; *Izvestiya* 22 Apr 89)
- 20 T-64 Tanks and 60 personnel departed from the town of Alteslager (*Pravda* 12 May 89)
- As of 1 Jun 89: 3,350 personnel, 1,650 tanks, 120 artillery pieces withdrawn (Col. Gen. Omelichev, First Deputy Chief of Staff, TASS 1 Jun 89)
- 1 Bomber Regiment of 30 planes replaced with SU-24 fighters, one more Bomber Regiment to be replaced with MiG-27 fighters (TASS 17 Jul 89)
- As of 1 Aug 89: 1,988 tanks, 169 guns, 81 aircraft and 11,400 servicemen withdrawn (*Pravda*, 20 Aug 89)
- 24 tactical missile launchers withdrawing with parent divisions
- Equipment, troops withdrawn from WGF to total:
  - 10,000 men
  - 1,000 tanks
  - 330 artillery pieces
  - 5,000 vehicles, some tanks to be "mothballed," others converted to civilian use (*Jane's Defence Weekly*, May 15, 1989)
- Update of Soviet forces withdrawn from WGF:
  - 4,000 tanks
  - 137 aircraft
  - 24 tactical missile launchers (*Izvestiya*, 7 May 89)

- Update of WGF withdrawals as of 20 July 89: 2 tank divisions, 3 assault ground attack battalions, 2 assault river-crossing battalions, 2 chemical defense battalions, 1 tank training regiment, junior specialists training school, other subdivisions totaling:
  - 11,000 troops
  - 2,100 tanks
  - 150+ guns
  - 2,000 vehicles (Gen. Snetkov, Commander, Western Group of Forces, TASS 20 Jul 89)
- Group of Forces in GDR renamed "Western Group of Forces" (TASS 29 Jun 89)

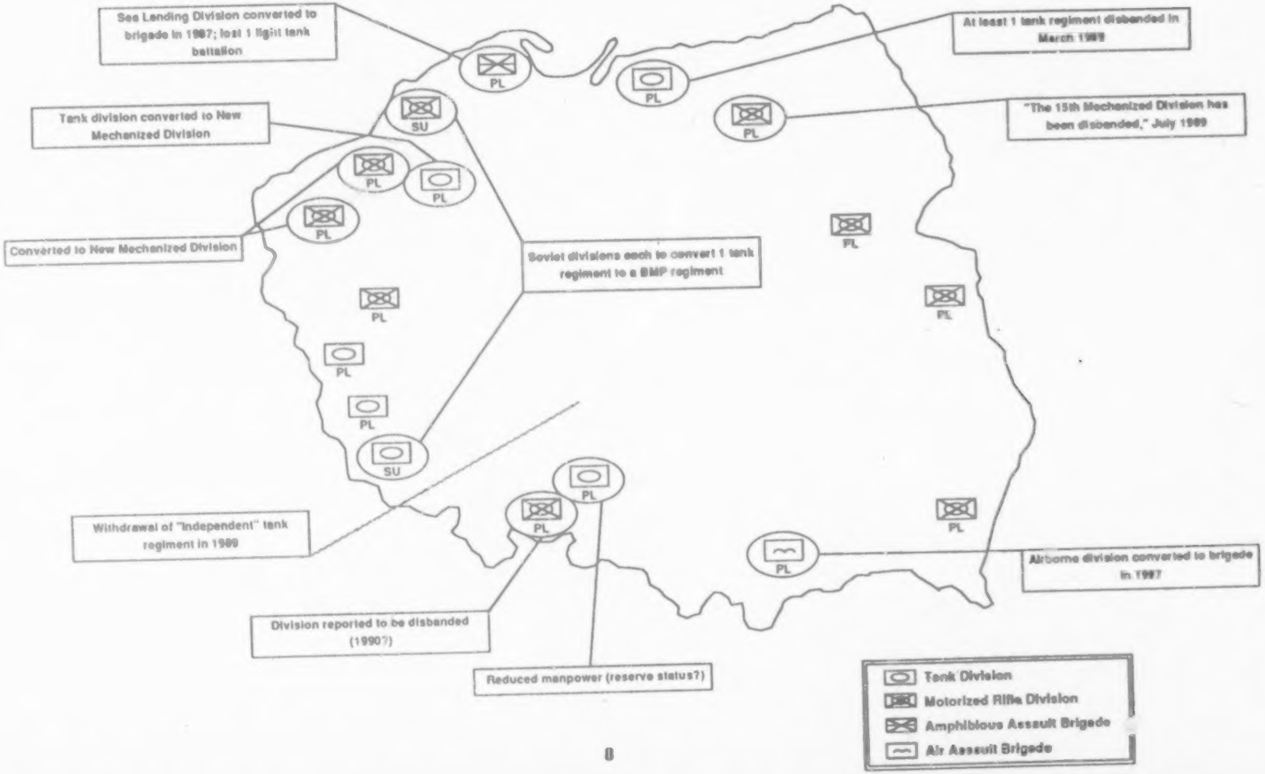
WESTERN GROUP OF FORCES
(By end 1990)

- 7th Guards TD (Rosslau) 12th Guards TD (Neuruppin) (from 3rd Shock Army in Magdeburg)
- 35th Air Assault Brigade
- 3 tank training regiments
- 2 other training regiments

GERMAN DEMOCRATIC REPUBLIC

- Defense Spending Cut: 10%(By 1990)
- Manpower Cut: 10,000 Troops (6% Reduction)
  - 130 troops from 8th Tank Regiment discharged on April 28, 1989 (Jane's Defence Weekly 26 Aug 89)
- Proposed withdrawal of 6 tank regiments, one unspecified squadron of aircraft
- Equipment reductions to total:
  - 600 (active or reserve?) tanks (20% reduction)
  - 50 aircraft (14% reduction)
- 31 T-55A tanks withdrawn on April 28, 1989 - withdrawn T-55s to be dismantled at Charlottenhof dismantling field (Berlin ADN International Service 21 Jun 89)

REDUCTION OF SOVIET/WARSAW PACT FORCES: POLAND


PL
SU
Tank Division
Motorized Rifle Division
Amphibious Assault Brigade
Air Assault Brigade

See Landing Division converted to brigade in 1987; lost 1 light tank battalion

Tank division converted to New Mechanized Division

Converted to New Mechanized Division

Soviet divisions each to convert 1 tank regiment to a BMP regiment

Withdrawal of "Independent" tank regiment in 1989

Division reported to be disbanded (1990?)

Reduced manpower (reserve status?)

At least 1 tank regiment disbanded in March 1989

"The 15th Mechanized Division has been disbanded," July 1989

Airborne division converted to brigade in 1987

ANNOUNCED REDUCTIONS OF SOVIET/WARSAW PACT FORCES IN POLAND

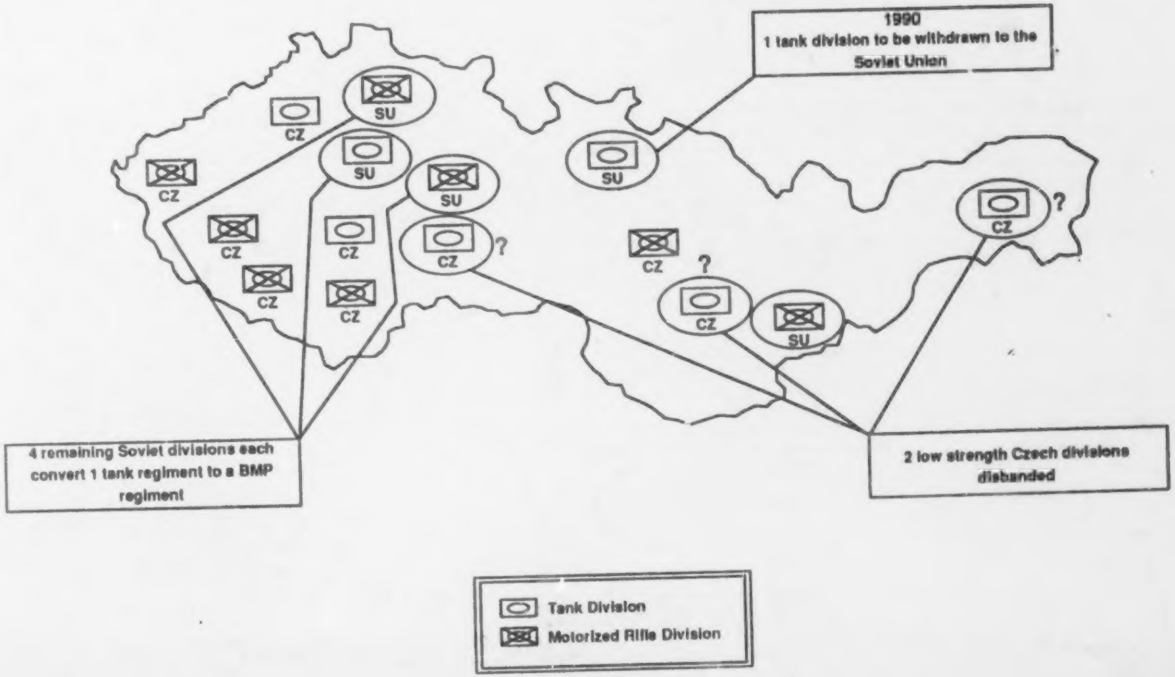
NORTHERN GROUP OF FORCES
(By end 1989)

- 1 tank training regiment (left NGF from Strachow on 1 Jul 89) (TASS 1 Jul 89)
- 1 anti-aircraft missile regiment
- 1 helicopter regiment
- 1 Chemical Defense Battalion -- left NGF on 11 Jul 89 (TASS 11 Jul 89)
- 1990: army landing and assault brigade
- Troops from Truck Battalion based in Swidnica, Walbrzyskie Voivodship leave NGF on 16 Jun 89 (TASS 16 Jun 89)
- 1 Tank Regiment from Soviet garrison in Strachow withdrawn (Moscow Domestic Service, 16 Jul 89)
- 1 Air Force Regiment disbanded 26 Aug 89 (Moscow World Service, 26 Aug 89)

POLAND

- Defense Spending Cut: 4%
- Manpower Cut: 40,000 troops (Warsaw Pact Commander Petr Lushev in *Krasnaya Zvezda*, 3 Mar 89)
- Two motorized rifle divisions reduced in 1987, 1988
- March 3-4 of 1989: 2 tank regiments, 1 battlefield tactical missile brigade, 1 training regiment and "several minor" units were disbanded (*Jane's Defence Weekly* 18 Mar 89)
- Later 1989: 2nd and 15th Armoured Divisions to be dissolved, 10th and 16 Tank Divisions to have manpower reduced (*Jane's Defence Weekly* 18 Mar 89)
- "Poland plans to disband around 50 military units"--Defense Minister Siwicki (*Krasnaya Zvezda* 28 May 89)
- Equipment reductions to toal:
  - 850 (active or reserve?) tanks
  - 900 artillery guns and mortars
  - 700 armored vehicles
  - 80 combat aircraft (*Jane's Defence Weekly* 18 Mar 89)
- Pomeranean Military District to be reorganized from 3 mechanized divisions and 2 tank divisions, to 3 mechanized divisions. All divisions to have same structure-- 3 mechanized regiments, 2 tank and 2 infantry battalions with supporting arms (*Jane's Defence Weekly* 17 Jun 89)

REDUCTION OF SOVIET/WARSAW PACT FORCES: CZECHOSLOVAKIA



1990
1 tank division to be withdrawn to the Soviet Union

4 remaining Soviet divisions each convert 1 tank regiment to a BMP regiment

2 low strength Czech divisions disbanded

CZ
SU
CZ
SU
SU
CZ
CZ
CZ
CZ
CZ
?
SU
CZ
?
CZ
SU
?
CZ

- Tank Division
- Motorized Rifle Division

ANNOUNCED REDUCTIONS OF SOVIET/WARSAW PACT FORCES IN CZECHOSLOVAKIA

CENTRAL GROUP OF FORCES
(By end 1989)

- 2 independent battalions
- One Airborne Assault Battalion withdrawn from Riecky Garrison between 10 and 20 Mar (Dmitry Yazov, USSR Defense Minister, *Izvestiya*, 22 Apr 89)
- 13 May 89: An Army Vehicle Battalion from Olomouc returned to USSR (TASS 13 May 89)
- 23 May 89: 23 T-72 Tanks leave garrison in Krupka bound for Novorossiysk (Prague Domestic Service, 23 May 89)
- As of 1 Jun 89: 1,000 personnel, 150 tanks, 20 artillery pieces withdrawn (TASS 1 Jun 89)
- Soviet forces to be withdrawn from CGF (*Rude Pravo*, 25 May 89):
  - 1,500 troops
  - 192 tanks
  - 20 warplanes
- Withdrawals from CGF as of 1 Jul 89 (*Rude Pravo*, 1 Jul 89):
  - 1,000 troops
  - 200 tanks
  - 20 aircraft

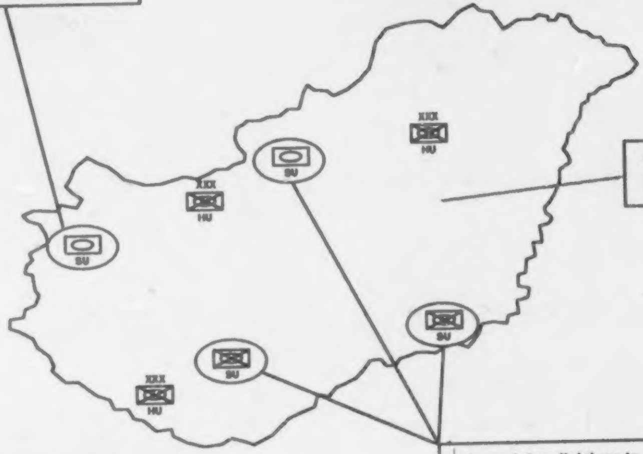
CENTRAL GROUP OF FORCES
(By end 1990)

- 31st Tank Division
- Combat engineers regiment
- Landing assault battalion

CZECHOSLOVAKIA

- Defense Spending Cut: 15% (By 1991)
- Manpower Cut: 12,000 men active service, 15,000 reserves, transfer of 20,000 active duty personnel to construction brigades (Prague *Rude Pravo* 13 Jul 89)
- Divisional and regimental tactical training sessions are being reduced by 50 percent and combat fire by 25-30 percent
- Equipment reductions include:
  - 850 (active or reserve?) tanks
  - 165 armored vehicles
  - 51 fighter aircraft
- Equipment for 3 other unspecified divisions put in storage, personnel shifted to "other duties"

REDUCTION OF SOVIET/WARSAW PACT FORCES: HUNGARY



1989
1 tank division to be withdrawn to
the Soviet Union and disbanded

During 1987-1988 the Hungarian
Army reorganized its six divisions
into brigades structured in three
Combined Arms Corps

Withdrawal of Soviet "Independent"
tank regiment in 1989

3 remaining divisions to convert 1
tank regiment to a BMP regiment

- Tank Division
- Motorized Rifle Division
- XXX Hungarian Combined Arms Corps

ANNOUNCED REDUCTIONS OF SOVIET/WARSAW PACT FORCES IN HUNGARY

SOUTHERN GROUP OF FORCES
(By end 1989)

- Total Soviet SGF withdrawals are to total 22 units, including: 13th Guards TD from Veszprem (to be withdrawn and disbanded by June 1989; counts as 13 units)
- 1 independent tank training regiment (began withdrawal from Debrecen on 15 May (Moscow Domestic Service, 15 May 89)
  1 air assault battalion
  1 fighter aircraft regiment from Tokol
- Tank regiment withdrawn from SGF on 20 May 89 (TASS 20 May 89)
- Motorized Rifle Regiment from Taborfalva withdrawn from SGF 28 May 89 (TASS 29 May 89)
- Motorized Rifle Regiment from Szombathely withdrawn 13 Jun 89 (TASS 13 Jun 89)
- 1 chemical defense battalion
  - withdrawal of unspecified number and types of units from the cities of Szombathely and Gyor (Note: may already be included in above data)
  - "other individual units"
- April 25, 1989: First 31 T-64 Tanks from 13th Guards TD leave Hungary (*New York Times*, 26 Apr 1989)
- "...More than 200 tanks from Hungary have hitherto been withdrawn to USSR territory" as of 14 May 89 (Lt. Gen. Omelichev, First Deputy Chief of USSR Armed Forces General Staff, *Krasnaya Zvezda*, 14 May 89)
- 2 Soviet Tank Battalions (80 tanks) potentially affected by proposed Hungary-Yugoslavia-Austria unilateral disarmament pact (*Washington Post*, 10 Sep 89)
- Time table of equipment withdrawals from SGF:
  - Artillery, missiles from 13th TD April 25, 1989
  - Troop withdrawal May 15, 1989
  - Tank Training Regiment June 5, 1989
  - Air Defense Regiment June 20, 1989
  - 1 Fighter Unit by December 1, 1989
  - Airborne Forces and NCOs School completed by next year (*Jane's Defence Weekly*, May 6, 1989)

SOUTHERN GROUP OF FORCES (Cont.)

- Equipment reductions include:
  - 10,000 men (2,400 officers)
  - 450 tanks
  - 200 guns and mortars
  - 3,000 vehicles
  - 10 military garrisons to be turned over to Hungary
  - Soviet troops along Austrian border to be "significantly reduced," leaving only subdivisions which are part of WP/Integrated Air Defense System (Maj. Gen. Egon Szabo, First Deputy Chief of Hungarian Army Main Political Directorate, *Sovetskaya Rossiya*, 20 May 89)

HUNGARY

- Defense spending cut: 17%
- Manpower cut: 9,300 (mostly enlisted) servicemen, 2,100 senior and junior officers (8.8%)
- According to Defense Minister F. Karpati, an unspecified number of tank brigades and fighter aircraft squadrons will be dismantled"
- One tank brigade stationed in area between the Danube and Tisza Rivers to be disbanded (Moscow Domestic Service 8 Jul 89)
- Equipment from unspecified units: 251 (active or reserve?) tanks; 30 APCs, 430 artillery pieces (including 180 antitank weapons), 9 fighter-interceptor aircraft
- Creation of 60-mile "zone of security, confidence-building and cooperation" along borders of Austria and Yugoslavia affecting approximately 200 tanks and 14 nuclear missile launching pads

IMPACT ON THE EUROPEAN MILITARY BALANCE

TANKS

- SOVIETS HAVE BEEN VERY FORTHCOMING ON DATA:
  - -- WE CAN ACCOUNT FOR 5,300 TO BE WITHDRAWN IN EASTERN EUROPE
  - -- WE CAN GUESS AT THE 10,000 TO BE WITHDRAWN IN ATTU
  - -- OLD TANKS (T-10 AND T-55) ARE BEING CUT UP, NO EVIDENCE OF T-72 AS PROMISED
  - -- BY END OF WITHDRAWALS ON 1 JAN 1991 -- RESIDUAL SOVIET TANK FLEET IN EASTERN EUROPE LIKELY TO BE ALL T-80 EQUIPPED

IFV

- BMP ASSETS IN TANK DIVISIONS WITHDRAWN FROM WGF ARE REDISTRIBUTED, NOT PULLED OUT WITH PARENT UNIT
- BMP WILL REPLACE WITHDRAWN TANKS IN RESTRUCTURED UNITS AT A RATIO OF 1.3 TO 1
- NET INCREASE IN BMP DURING REORGANIZATION -- 2,500 LIKELY TO BE ADDED

ARTILLERY

- CANNOT ACCOUNT FOR MORE THAN 10% OF 8,500 TUBES GORBACHEV PROMISED TO CUT
- CANNOT ACCOUNT FOR 30-35% DECREASE IN DIVISIONAL ARTILLERY WHICH WAS PROMISED
- CANNOT ACCOUNT FOR ARTILLERY TO BE WITHDRAWN WITH DIVISIONS
- PRE-DECEMBER 7th EVIDENCE OF INCREASE IN BATTERY SIZE FROM 6 TO 8 GUNS -- WOULD, IF NOT DISCONTINUED, ADD OVER 1,200 SYSTEMS INTO SOVIET UNITS IN EAST EUROPE
- GENERAL STAFF CLAIM OF ONLY 6 GUN BATTERIES (18 GUN BATTALIONS) BELIED BY EXISTING EVIDENCE

AIR

- CANNOT ACCOUNT FOR 820 AIRCRAFT TO BE CUT IN ATTU
- SOME MiG-23/27 FIGHTERS AND SU-24 LIGHT BOMBERS HAVE BEEN WITHDRAWN FROM EASTERN EUROPE:
  - -- BUT STILL IN ATTU
  - -- STILL A THREAT FROM USSR BASES
  - -- REPLACED BY MODERN AIRCRAFT -- NO APPARENT REDUCTION IN FORWARD DEPLOYED NUMBERS

SOVIET TANK STRENGTH - - ATLANTIC TO THE URALS

	SUMMER 1988 *	ANNOUNCED CUTS (AGGREGATED)	ANNOUNCED UNIT WITHDRAWALS	UNIT RESTRUCTURING**	HYPOTHESIZED TANK ALLOCATIONS***
EAST EUROPE	10,800	5,300	2,808		5,040
WGF	7,200		1,912	2,088	3,200
NGF	650		120	178	352
CGF	1,550		328	398	824
SGF	1,400		448	288	664
W. MILITARY DISTRICTS	10,200	?			7,995
BALTIC	2,800			? 630	2,170
BELO	4,100			? 819	3,281
CARP	3,300			? 756	2,544
STRATEGIC RESERVE	8,245	?			6,040
KIEV	3,295			? 1,008	2,787
MOSC	2,250			? 567	1,683
URAL	1,300			? 378	922
VOLGA	900			? 252	648
N. FLANK	2,000	?			1,307
LENIN	2,000			? 693	1,307
S. FLANK	6,100	?			4,399
ODESS	2,100			? 504	1,596
TRANS C.	2,000			? 693	1,307
NORTH C.	2,000			? 504	1,496
STOCKS	2,805-5,800+	?			2,805-5,800+
TOTALS	40,150-43,145+	10,000	2,808	? 9,756	27,586-33,581+

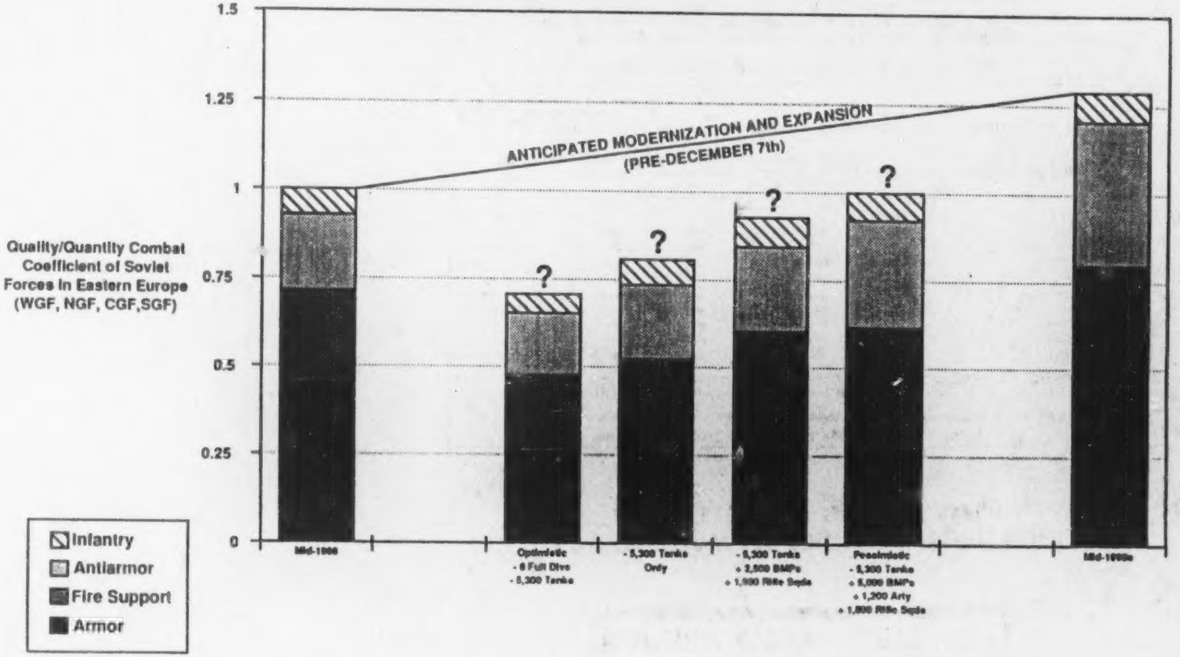
* Pre-Gorbachev cuts

** Projected restructuring of post-reductions divisions in ATTU - - conversion of 1 tank regiment to a BMP regiment in each remaining tank and motorized rifle division

*** Pre-reductions less anticipated reductions

MILITARY IMPACT OF GORBACHEV REDUCTIONS

UNILATERAL UNCERTAINTY - - FOR US



KARBER WAS AN OPTIMIST*

SOVIET WITHDRAWALS FROM EASTERN EUROPE ARE MILITARILY SIGNIFICANT

IMPACT OF GORBACHEV CENTRAL EUROPEAN REDUCTIONS

(Active Units in FRG, Denmark, BENELUX, GDR, Poland, Czechoslovakia, & Hungary)

	NATO ASSETS	CURRENT WTO ASSETS	GORBACHEV CUT	% REDUCTION	SUBSEQUENT WTO ASSETS
Tanks	7000	19600	5300	27%	14300
IFVs	4794	10660	(1440)	13%	9220
APCs	10595	13330	(252)	2%	13078
Tube Artillery	2145	8185	(782)	10%	7403
Hvy Mortars & MRLs	1238	2990	(124)	4%	2866
Air Defense Guns	1275	3876	(96)	2%	3780
SAMs	1334	3227	(216)	7%	3011
Attack Helos	530	906	(36)	4%	870
Combat Aircraft	1430	2900	260	9%	2640

- THE SIZE OF SOVIET UNILATERAL REDUCTIONS IS 20% GREATER THAN WHAT THE WEST ASKED FOR IN ITS MOST AMBITIOUS MBFR PROPOSAL.
- THE SIZE OF SOVIET WITHDRAWALS IS GREATER THAN THE ACTIVE ASSETS OF THE ENTIRE U.S. 7th ARMY.
- THE NUMBER OF SOVIET TANKS TO BE WITHDRAWN FROM EASTERN EUROPE IS EQUAL TO THE NUMBER IDENTIFIED BY SEN. NUNN IN HIS PROPOSAL OF MARCH, 1987.
- THE NUMBER OF SOVIET TANKS TO BE WITHDRAWN IS EQUAL TO THE NUMBER OF TANKS ADDED TO WARSAW PACT ACTIVE INVENTORY IN CENTRAL EUROPE BETWEEN 1967 AND 1987.

( ) Assets organic to and presumed withdrawn with the six withdrawn tank divisions

*TESTIMONY BEFORE HOUSE ARMED SERVICES COMMITTEE, MARCH 1989

THE NEW SOVIET EMPHASIS IS ON QUALITY

- QUALITY OF "OFFICER LEADERSHIP" AND "COMMAND INITIATIVE"
- QUALITY OF TROOP TRAINING AND UNIT READINESS
- QUALITY OF TECHNOLOGY AND OPERATIONS

THIS MAY PRODUCE

- INCENTIVE FOR CONTINUED AND FURTHER REDUCTION IN LARGE QUANTITY OF SOVIET CONVENTIONAL ASSETS
- INCENTIVE FOR "DEFENSIVE" PARITY AND CONVENTIONAL ARMS CONTROL
- INTEREST IN A SMALLER, MORE "PROFESSIONAL" MILITARY STRUCTURE

THIS MAY ALSO PRODUCE

- A HIGHER STATE OF TRAINING AND READINESS OF SOVIET FORWARD DEPLOYED FORCES
- A "COMPETITIVE STRATEGY" EMPHASIZING ADVANCED TECHNOLOGY
- ATTEMPTS TO RESTRAIN, VIA ARMS CONTROL, WESTERN "QUALITATIVE" ADVANTAGES

THE SOVIETS ARE GIVING SIGNIFICANTLY INCREASED ATTENTION TO "DEFENSIVE DOCTRINE"

NEW THEMES REQUIRE NEW THOUGHT:

CEDING THE INITIATIVE TO THE OPPONENT (MIRRORS NATO'S CLASSIC CONCERN)

- PUTS DEFENDER IN "REACTIVE" AND LESS DECISIVE POSTURE
- HEAVY PRESSURE ON PEACETIME READINESS, QUALITY OF TROOP TRAINING, AND TECHNOLOGY
- INCREASED FEAR OF "SURPRISE ATTACK" AT LOWER FORCE LEVELS

IMPORTANCE OF "ACTIVE DEFENSE" (NOTICEABLE SIMILARITIES WITH 1976 U.S. ARMY DOCTRINE)

- EXPERIMENTING WITH "ELASTIC" DEFENSE -- USE OF BMP MODERNIZED INFANTRY VEHICLE AS MOBILE AND MOUNTED STRONG POINT
- USE OF ATTRITION BY FIRE TO WEAKEN ATTACKER
- EMPHASIS ON LARGE SCALE COUNTER-ATTACKS ON WEAKENED OPPONENT

CONCERN OVER THE ROLE AND EXECUTION OF THE COUNTER-ATTACK/COUNTER-OFFENSIVE

- DECISIVE COUNTER-OFFENSIVE KEY TO SEIZING THE INITIATIVE
- HOW LARGE AND AT WHAT LEVEL OF COMMAND?
- TIMING -- HOW SOON TO LAUNCH/HOW LONG TO WAIT?
- FOCAL POINT -- WHERE SHOULD THE COUNTER-STRIKE BE TARGETED: SHALLOW, SHORT OF PENETRATION, ATTACKER'S DEPTH?

THE VOROSHILOV BRIEFING GIVEN TO CODEL ASPIN WAS OF FUNDAMENTAL IMPORTANCE FOR THE WEST TO APPRECIATE THE DIRECTION AND DEVELOPMENT OF SOVIET "DEFENSIVE" THINKING

THE CHALLENGE OF DEFENSIVE DOCTRINE

"No way are we talking about passive defense! Defense must be active. We will endeavor to place troops in such conditions whereby within the dynamics of the operations they can actively maneuver their forces and means, launch counterattacks, and commit reserves."
Lt. Gen. M. Kalinin, First Deputy Commander in Chief of WGF
Krasnaya Zvezda 19 March 1989

"NATO countries...envisage the possibility of initiating combat actions by means of a sudden attack, Gen Lobov noted. He stressed that the contemporary types of conventional weapons possessed by NATO enable it, by sudden use, to cause considerable damage to the opposing side and to seize not just the operational-tactical but also the strategic initiative."
Army Gen. Vladimir Lobov, Chief of Staff of Joint Armed Forces of Warsaw Pact
TASS 5 May 1989

"In theory, and in our exercises in the field, we are planning for long defensive operations to repel a possible aggression, if it proves impossible to end this aggression by political means. Then, and only after around 3 or 4 weeks, we might launch a counterattack."
Marshal Sergey Akhromeyev, Gorbachev Military Advisor
Le Figaro 13 June 1989

"Yes, the airborne troops are mobile and... are always primed for the order 'advance.' But why should defense be passive? No, it should be active...As long as there are no guarantees of the irreversibility of the present positive processes in the world, Soviet people demand that we consolidate the country's defenses. Proceeding from this assumption, we are upgrading airborne troops."
Lt. Gen. Vladislav Achelov, Airborne Troop Commander
Pravda 2 August 89, TASS 2 August 1989

NEW CONCEPTS IN DEFENSIVE TACTICS

"Taking it as inevitable that the initiative will belong at first to the aggressor in the event of an armed attack, in the very first minutes of combat operations our troops must enter into a fierce struggle to seize and retain the initiative."

"Combat training in our formations and units is unequivocally aimed at repulsing possible aggression at the start of a war. But activeness--the ability not only to hold on doggedly to the positions held but also, if they are lost, to restore the situation fully and in good time--is a compulsory requirement of our defense."

"In the current training year more than half the regiment, battalion, and company tactical exercises, including those comprising field firing, which are planned and worked through appertain to defensive topics. In conducting two-sided exercises, we also proceed from the premise that the defending side must be the chief one in training."

"In the winter training period, for example, we began developing a new and essentially purely defensive exercise involving firing from combat vehicles and with small arms. All subunits ar ealready resolving firing tasks within platton and company strong points, executing a maneuver and adapting to the specific tactical situation."

"Furthermore, we consider it not always expedient to conduct small counterattacks. Clearly, in a defensive battle (operation) it will sometimes be more appropriate to secure a target by inflicting defeat on attacking enemy groupings with fire from previously prepared firing lines. And to switch to a counterattack jointly with reserves which have come up."

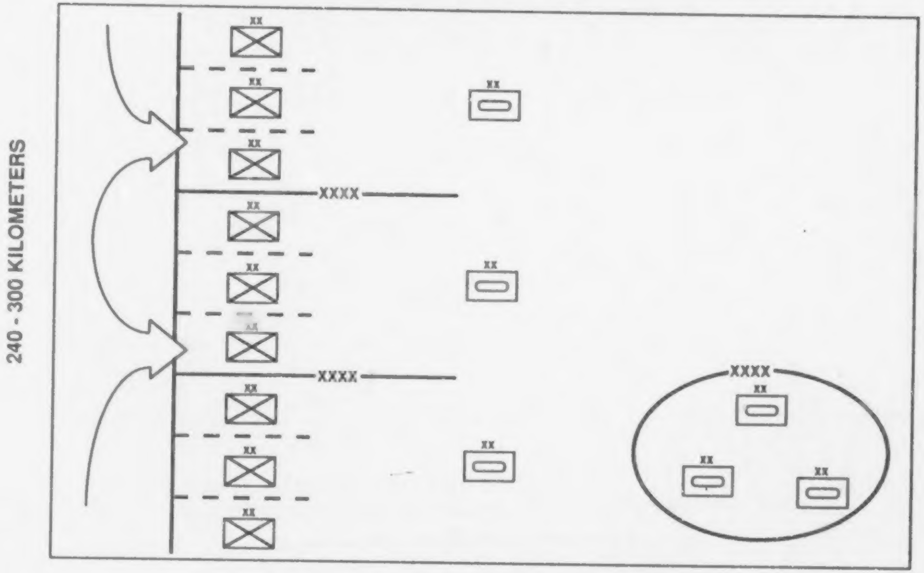
"The third area of our search is to make defense more active and to enhance its maneuverability. The significance of an instant response to the attacking side's actions increases many times over in modern defensive combat."

Col. Gen. Burlakov, Southern Group of Forces Commander
Krasnaya Zvezda, 26 April 1989

VOROSHILOV ACADEMY - "STUDENT EXERCISE -- SPRING 1989"

FRONT ON THE DEFENSIVE

- START POSITIONS AT BORDER -- DIVISION FRONTAGE ± 30 KM
- OPPONENTS EQUAL STRENGTH
- OFFENSIVE CONCENTRATION ON THE PRIMARY SECTORS


240 - 300 KILOMETERS
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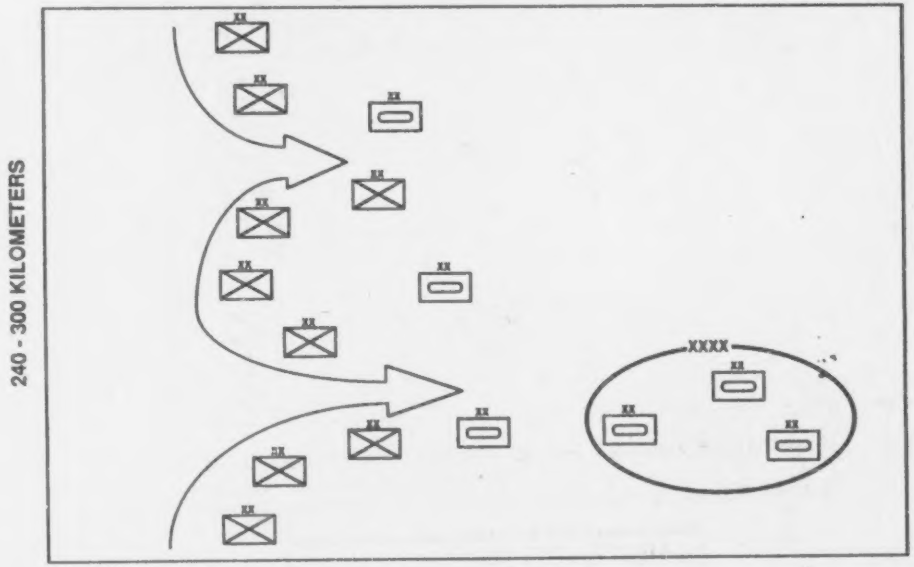
VOROSHILOV ACADEMY - "STUDENT EXERCISE -- SPRING 1989"

FRONT ON THE DEFENSIVE

- UNCONTAINED TACTICAL BREAKTHROUGH ON PRIMARY AXIS
- COMMITTMENT OF ARMY RESOURCES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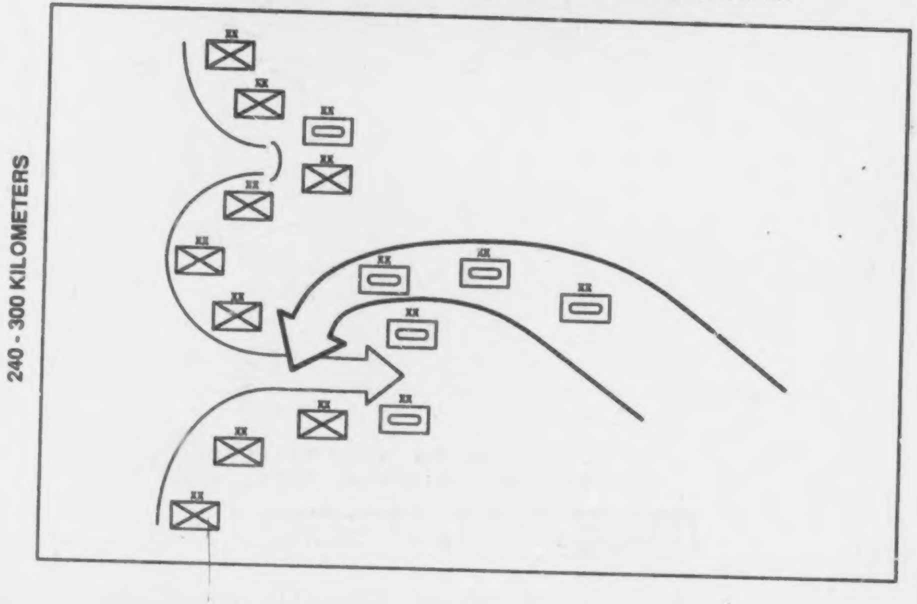
VOROSHILOV ACADEMY - "STUDENT EXERCISE -- SPRING 1989"

FRONT ON THE DEFENSIVE

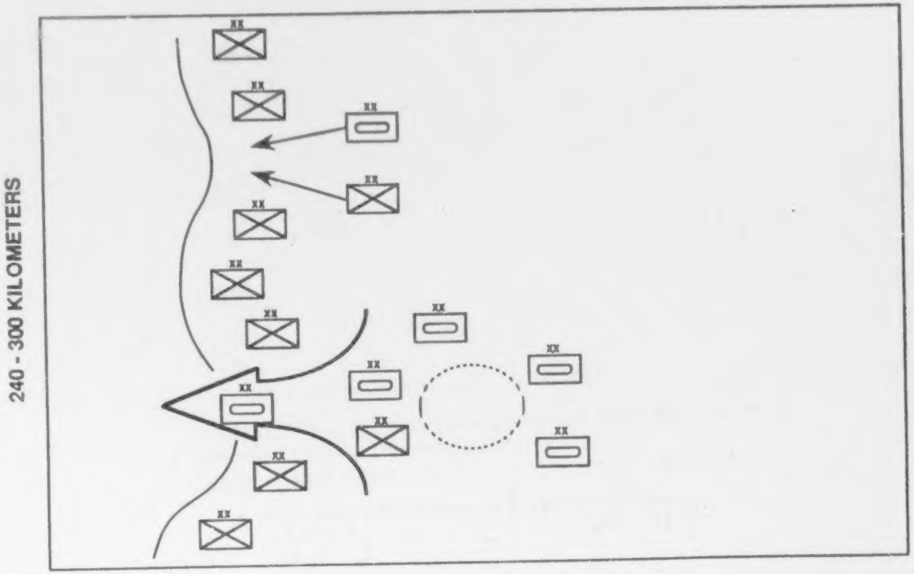
- DEPTH OF OFFENSIVE PENETRATION 75+ KILOMETERS
- COMMITMENT OF 2nd ECHELON TANK ARMY
- COUNTER OFFENSIVE - - USE OF INDIRECT/FLANK ATTACK



VOROSHILOV ACADEMY - "STUDENT EXERCISE -- SPRING 1989"

FRONT ON THE DEFENSIVE

- ENCIRCLEMENT OF OFFENSIVE LEAD ELEMENTS
- RESTORATION OF THE "PRE-WAR BORDER"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CONCLUSIONS

- GORBACHEV HAS UNDERTAKEN MORE THAN UNILATERAL REDUCTIONS -- HE IS REORGANIZING THE ENTIRE SOVIET ARMED FORCES AND THE MILITARY-INDUSTRIAL COMPLEX WHICH SUPPORTS IT.
- 2/3 OF SOVIET AND WARSAW PACT DIVISIONS OPPOSITE CENTRAL EUROPE ARE IN PROCESS OF MAJOR REORGANIZATION; 1/6 ARE BEING DISBANDED OR WITHDRAWN.
- THERE IS A REAL POSSIBILITY THAT WHEN FINISHED -- THERE WILL BE A STRATEGIC REALIGNMENT OF THE SOVIET CONVENTIONAL CAPABILITY THAT IS A REAL REDUCTION IN THEIR OFFENSIVE POTENTIAL IN THE CONTIGUOUS EURASIAN THEATERS.
- THE SOVIETS KEEP ASKING FOR A WESTERN RESPONSE -- BUT UNCERTAINTY AND ENTROPY ARE THEIR WORST ENEMIES. HOPEFULLY THE GLASNOST DISPLAYED TO CODEL ASPIN WILL, BASED ON RECIPROCITY, ONLY BE THE BEGINNING.
- HOWEVER, BASED ON WHAT HAS BEEN DONE AND WHAT THE SOVIETS HAVE SAID, THE WEST CAN ONLY WAIT AND HOPE FOR THE BEST.
- ULTIMATELY, THE ONLY GUARANTEE OF THE LASTING SIGNIFICANCE OF A SOVIET WILLINGNESS TO REDUCE THE THREAT TO NATO WILL BE A MUTUALLY AGREED AND VERIFIABLE CFE TREATY.

"IT IS HIS ORCHESTRA AND HIS CONCERT, BUT IF HE WANTS HIS MUSIC TO BE APPRECIATED, WE NEED TO KNOW THE SCORE."

P. A. KARBER, "THE MILITARY IMPACT OF THE GORBACHEV REDUCTIONS"
ARMED FORCES JOURNAL, JAN 1989

Chairman Nunn. Thank you very much, Mr. Karber.

Mr. Perle, I introduced you in absentia a few minutes ago and explained that you were on your way. But I thought we would let Dr. Warner go second, if that is okay, and we will come to you third.

Mr. Perle. Certainly.

STATEMENT OF EDWARD L. WARNER III, SENIOR DEFENSE ANALYST, THE RAND CORPORATION

Dr. Warner. Thank you, Mr. Chairman.

I am very pleased to have the opportunity to appear before your committee this morning to discuss recent and prospective changes in the military concepts and capabilities of the Soviet Union and its Warsaw Pact allies in Eastern Europe. I will attempt in my opening statement to lay out a series of observations that I hope will assist you and your committee in assessing the continuing military challenges posed by the Soviet Union and the Soviet-led Warsaw Pact.

SOVIET POLICY CHANGES

Over the past few years, and particularly during 1989, we have witnessed significant changes in the Soviet approach to defense policy, changes that appear destined to reduce substantially the size and reshape the character of the Soviet armed forces. These modifications reflect the interaction of several factors.

Fundamentally, Mr. Gorbachev and his supporters, faced with a growing crisis of faltering economic performance and declining political authority, have decided that the Soviet Union can simply no longer afford the massive defense burden that the Soviet system has borne in the past. Moreover, the Soviet leaders have apparently concluded as well that Soviet attempts to amass superior military power in order to overawe the United States, its superpower rival, and the neighboring states around the U.S.S.R., have not only failed to achieve this purpose but have, in fact, generally proved very counterproductive.

[Additional information supplied by the witness from a prepared statement.]

To further complicate matters, during the past several months the democratic revolutions that have swept through Eastern Europe have dramatically altered the political landscape in a manner that has profound implications for the military potential of the Warsaw Pact. Let me first review the most important elements of the transformation of the security situation in Europe and assess the implications of these changes. I will then outline prospective developments with regard to the central strategic forces of the Soviet Union and their likely effect on the U.S.-Soviet strategic nuclear balance.

Since Mr. Gorbachev came to power in March 1985, the Soviet Union has, according to Soviet spokesmen, set in motion a process to fundamentally transform its defense policy. Gorbachev and his supporters maintain that their approach to defense reflects so-called "new political thinking" and its guiding principle of "reasonable sufficiency for defense." They insist that Soviet military preparations are oriented above all toward the prevention of war and secondarily, toward the repulsion of aggression, should that prove necessary. Since May 1987, the Soviets and their Eastern European allies have claimed that the Warsaw Pact's military activities are now guided by a "strictly defensive" military doctrine.

Although senior Soviet military leaders have repeatedly endorsed the Pact's new defensive doctrine, many have also argued publicly—and I am sure privately as well—that the Pact must maintain, if at all possible, forces capable of mounting a "decisive offensive" that can "crush" any aggressor.

WARSAW PACT FORCES

According to Marshal Akhromeyev and other Soviet military spokesmen, for the past few years the Warsaw Pact has restricted its major academic and field training exercises to purely defensive scenarios. In these scenarios, the Pact allegedly conducts initial defensive operations with conventional weapons to halt NATO's imputed aggression, and then mounts operational "counterblows" or a larger strategic counteroffensive to expel NATO forces from socialist territory.

The Soviets claim that Pact forces always halt in these exercises at the East-West political border without driving on into NATO territory. These scenarios contrast sharply with previous Pact training, which generally culminated in the simulation of an armor-heavy, theater-wide, high-speed combined arms offensive in which Warsaw Pact forces would advance deep into Western Europe to defeat NATO's forces and to occupy its territory.

[Additional information supplied by the witness from a prepared statement.]

We have great difficulty validating or disproving Soviet claims of purely defensive exercises. I would note, however, that modern, maneuver-oriented offensive and defensive operations involve basic "building block" operations at the tactical level that are common to both offense and defense. Moreover, the continuing simulation of large-scale "counteroffensives" of the type described to the delegation of the House Armed Services Committee at the Voroshilov General Staff Academy last August provides senior Soviet officers with ample opportunity to sharpen their skills in coordinating the front-level operations of several armies and their air support elements during the course of a sustained offensive.

This past year or so has been a watershed period in the transformation of the Soviet and Warsaw Pact military challenge. Mr. Gorbachev kicked off this momentous year in December 1988 by announcing a series of unilateral reductions in Soviet troop strength and selected weapons that are to be completed by the end of this year. Phil Karber, of course, has covered many of these quite substantially. Let me review some of the high points.

These cuts, which appear to be on schedule at this point, according to U.S. intelligence agencies, will reduce overall Soviet troop strength by 500,000 men that is, from around 5 million to 4.5 million men in the Soviet armed forces. They will also eliminate 10,000 tanks, 8,500 artillery pieces, and 830 combat aircraft from Soviet holdings in Eastern Europe and in the western U.S.S.R. Finally, they will trim 50,000 troops, 5,300 tanks, and six tank divisions from Soviet forces deployed in Eastern Europe, and also produce, we are told, a withdrawal of specialized air-assault and river-crossing units from the forward area.

Prior to the recent political upheavals, the East European members of the Pact also announced parallel reductions in their forces.

Last winter and spring the East Europeans declared their intention to eliminate a collective total of five divisions, as well as approximately 2,700 tanks, 1,500 artillery pieces, 900 armored personnel carriers, and 200 combat aircraft, again, by the end of 1990.

The Soviets have also announced, as Phil noted, that they are restructuring the ground force units that will remain in Eastern Europe and in the Soviet Union itself after the unilateral reductions are completed. The 24 Soviet divisions that are slated to remain in Eastern Europe are losing approximately one-third of their tank strength, that is, some 3,300 tanks, while gaining approximately 2,000 more infantry fighting vehicles, as well as additional air defense systems, antitank means, engineering and minelaying equipment, and apparently, some artillery.

These restructured Soviet ground forces will, by no means, be forces of a purely defensive character, as some Soviets would claim. Instead, they will be balanced, versatile, combined-arms formations that are well-suited to employ infantry operating with tanks and concentrated artillery support in a manner that is equally capable of supporting maneuver-oriented offensive or defensive operations. Moreover, they will continue to be able to draw on massive stockpiles of ammunition stored throughout Eastern Europe and a well-developed network of prepared command-control-communications facilities.

Nevertheless, the Pact's unilateral elimination of nearly 8,000 tanks will greatly reduce its concentrated armor striking power in Central Europe. Moreover, assuming that the Soviets do not significantly increase their artillery strength, the aggregate combat potential of Soviet forces deployed in Eastern Europe upon completion of the unilateral cuts at the end of the year will be, according to Divisional Equivalent Force methodology, roughly 20 percent lower than the aggregate combat potential of the 30 Soviet divisions that were in place when the reductions were announced in December 1988.

Should the Soviets add substantial artillery to the divisions that remain, and there are indications that they may be doing so, the reduction in aggregate Soviet combat potential will be probably closer to 10 percent.

[Additional information supplied by the witness from a prepared statement.]

This continued emphasis on artillery would give the Soviets a marked offensive advantage, as massed artillery fire is critical for the attacker. Much lower artillery levels would appear adequate for the defender, especially when he has the geographic depth that the Pact enjoys in Central Europe.

Now all of these observations reflect judgments that could be made and were made by Mr. Karber and me in the wake of our trip to the Soviet Union with the House Armed Services Committee staff and members of the committee last August. They do not yet reflect, as I will turn to in just a moment, the momentous activities and events in Eastern Europe last fall.

As a result of these Soviet and East European unilateral cuts alone, without taking into account the effects of the democratic revolutions in Eastern Europe, a Pact attack on NATO in Central Europe, following short mobilization preparations of a week or less, would entail very grave risks for the Pact. Consequently, such an attack, which has never been very highly plausible, will not be in my view a viable Soviet military or Warsaw Pact military option.

Under a long-mobilization scenario, that is, one in which both sides were able to mobilize reserves, conduct refresher training, and move their forces forward over a period of many weeks prior to the outbreak of war, the Warsaw Pact would, in theory, retain a substantial portion of the very considerable advantage that they have built up over the last several decades. The unilateral cuts announced last winter alone appear likely to reduce the Pact's margin of advantage over NATO by approximately a third, or perhaps 40 percent.

However, the Pact's residual superiority over NATO will rest, in large part, on the presumed contributions of the Polish, East German, and Czechoslovak armies, a presumption about which they must have grave concerns. In the wake of the democratic revolutions that swept Eastern Europe last fall, by far the most significant transformation of the security situation in Europe during 1989, Soviet political and military leaders can surely no longer count on contributions from these East European allies.

As Table 1 indicates, the East European national armies constitute today, and are likely to continue, over half of the Pact's forces deployed on a day-to-day basis in Central Europe. They also make up approximately a third of the divisions that the Pact could bring to bear in a long-mobilization scenario, where their forces have been supplemented by forces brought forward from the western military districts in the U.S.S.R.

[Additional information supplied by the witness from a prepared statement.]

Table 1

WARSAW PACT DIVISIONS FACING CENTRAL EUROPE

		1990		1991		1995 (CFE)[a]
Deployments in Eastern Europe						
USSR		27[b]		24		10-15
Poland	(10)		(9)		(5)	
GDR	(6)		(6)		(3)	
Czechoslovakia	(10)		(7)		(5)	
Hungary	(6)		(5)		(3)	
Subtotal		32		27		16
Total		59		51		26-31
Reinforcements from western USSR		37		37		15-20
Total Warsaw Pact divisions facing Central Europe		96		88		41-51

[a] Assuming an agreement to reduce conventional forces in Europe.

[b] Seventeen Soviet divisions are stationed in the GDR, five in Czechoslovakia, three in Hungary, and two in Poland.

Observers in the West have long speculated about the likely reliability of Eastern European forces, that is, their willingness to fight NATO forces on the battlefield, should NATO-Warsaw Pact combat occur. Following the dramatic collapse of communism in Eastern Europe, the Soviets can by no means assume that the democratic governments of their erstwhile allies would make their forces available to the Soviet High Command in the first place. That is, at this point they would have grave doubts if they gave the orders whether the Eastern European armies would move to deployment on positions and answer the bell.

The Soviets can no longer rely on the Warsaw Pact as an effective instrument to marshal East European participation in support of a Soviet military offensive directed against Western Europe. Thus, the Pact has become, in the words of one of my colleagues, an "empty shell" with respect to its ability to conduct a large-scale offensive campaign. Nevertheless, the Warsaw Pact may still be able in the 1990s to serve Soviet political and foreign policy interests. At a minimum, it continues to provide a security buffer zone, partially manned by Soviet troops, vis-a-vis NATO. In addition, the Soviets apparently hope to use a more politically oriented Pact to help manage a process of gradual political and military change in Central Europe.

[Additional information supplied by the witness from a prepared statement.]

The recent revision of U.S. intelligence estimates regarding the amount of warning that is likely to be available to NATO prior to a major Warsaw Pact attack was largely completed prior to the revolutions in Europe last fall. This revision appears to have revolved around key aspects of a long-mobilization Warsaw Pact attack scenario. U.S. officials have reportedly determined that Warsaw Pact military planners' respect for NATO's improving defense capabilities increased during the 1980s. Consequently, Pact planners apparently concluded that the Pact would need to mass substantial forces in its forward-deployed attack formations near the East-West border in Central Europe in order to mount a successful offensive against NATO.

The primary source of these reinforcements would be the Soviet divisions based in the western U.S.S.R. The vast majority of these divisions are maintained at very low levels of day-to-day readiness; that is, they are staffed routinely at only 25 to 50 percent of their authorized wartime strength. The Soviets would need many weeks to man, train, and move these forces forward. Consequently, if NATO's modern intelligence means can effectively monitor the status of these low-readiness forces in the Soviet Union, it should be able to provide several weeks of warning of an impending large-scale Pact attack.

Finally, 1989 also produced an apparent breakthrough in NATO-Warsaw Pact talks on reducing conventional forces in Europe, the so-called CFE negotiations. These negotiations being held in Vienna appear likely to produce a NATO-Warsaw Pact agreement by the end of this year. The sides have agreed in principle to reduce selected armaments: tanks, artillery, armored infantry vehicles, combat aircraft, and armed helicopters, to common ceilings approximately 10 percent below NATO's current levels, thus eliminating the Warsaw Pact's pronounced existing superiority in these areas.

If completed in this form, and I echo Phil Karber's concern that there are still serious issues to be resolved in detailed negotiations over several months, the CFE agreement will result in massive cuts in the Pact's ground, and possibly, air forces, based in the Atlantic to the Urals region. The Pact will be required to eliminate several tens of thousands of tanks, artillery pieces, and armored infantry vehicles, while NATO will cut only a few thousand of these weapons.

The pattern of air reductions that may emerge from negotiations is much less clear. It could, nevertheless, involve the elimination of many thousands of Warsaw Pact combat aircraft, while NATO would likely reduce no more than a thousand aircraft.

The prospective CFE agreement will eliminate the Pact's long-held substantial superiority over NATO.

[Additional information supplied by the witness from a prepared statement.]

It will probably reduce Soviet forces in Eastern Europe from 24 to 15, or possibly 10, divisions. At the same time, the Soviets would cut back their divisions in the western military districts of the U.S.S.R. from 37 to perhaps 15 to 20 and probably reconfigure many of them into "machine-gun artillery divisions," to be used to man "fortified regions" along the Soviet border. The CFE agreement will also require the Eastern European states to drastically reduce their forces.

This agreement should greatly reduce the potential for a successful Pact theater offensive to the depth of NATO territory under any condition of war initiation or war mobilization. This conclusion is based on two assumptions. First, that NATO forces are maintained at or near the authorized ceilings and at sufficient levels of readiness, and, second, that the Pact attack be carried out with forces drawn from Eastern Europe and the European U.S.S.R. The Pact, in theory, could regain substantial offensive advantage through numerical superiority where it is able to quickly add 15 or more divisions from Soviet forces stationed east of the Urals. However, recently begun force reduction negotiations between the Soviet Union and China, which I heard of just a week or so ago, may significantly cut Soviet forces in Asia, and thus limit the divisions that could be made available for use against NATO in this scenario that would involve the movement of Soviet forces from Asia into Europe as a second strategic echelon.

Chairman NUNN. Dr. Warner, on that one, I think I heard about it about the same time you did. Are they talking about dismantling those forces that they bring back from the Chinese border?

Dr. WARNER. My primary source, as yours was on this, Senator, were some comments from a leading Soviet civilian analyst, Alexei Arbatov, who claimed that these negotiations were begun in December. There was some indication of that, as well as some press stories, but less clear. Mr. Arbatov claimed that these negotiations are very CFE-like in character, that is, that they are about reductions in selected armaments, about zones and verification, and would result in the elimination of forces to common ceilings of some sort.

Chairman NUNN. Because if they eliminated, it certainly decreases the threat. If they simply brought back, there would be some cases under which you could say it increases the threat.

Dr. WARNER. Well, it seemed to me the negotiations are not simply about the forces in Mongolia, but concern Soviet forces in the Asia part of the U.S.S.R. facing China. And since it appears we are going to get a handle on or a reduced cap on the forces on the western side of the Urals via CFE, if there is another cap on forces located on the eastern side of the Urals, there is really no other place to put them.

Ironically, the deep reductions that now appear achievable under CFE appear too small to satisfy the rapidly changing environment and political demands in Eastern Europe. As Mr. Karber noted, the recently installed non-Communist governments operating in now more openly competitive democratic settings in Poland, Hungary, Czechoslovakia and East Germany have already begun substantial cutbacks in their own armed forces beyond the unilateral cuts they announced last winter.

Moreover, the Czechoslovak and Hungarian Governments have already entered talks with Moscow in which they seek the complete withdrawal of Soviet troops "temporarily" stationed on their territory by the end of 1990 and 1991, respectively. Polish and East German leaders have also expressed their eagerness for the departure of Soviet troops from their countries, albeit without such a rapid, at least publicly announced, timetable.

SOVIET STRATEGIC NUCLEAR FORCES

Let me turn for a moment to another subject that I was asked to comment on, and that is the question of developments in Soviet strategic nuclear forces. The changes in these forces and the concepts for their employment have been much less dramatic. Moscow has announced no unilateral cuts in its central strategic forces, although it most certainly appears that the pace and scope of its ongoing modernization effort appears geared to the anticipated conclusion of a START agreement during this year.

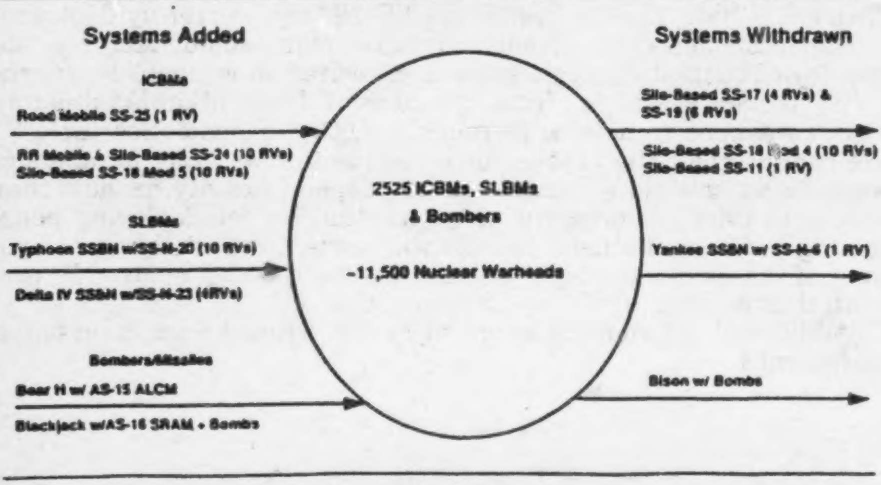
Nevertheless, the modernization of Soviet strategic attack forces continues at a substantial pace, as depicted in Figure 1.

[Additional information supplied by the witness from a prepared statement.]

This modernization effort includes the latest round of ICBMs, silo-based (SS-18 Mod 5, SS-24 Mod 2) and mobile (SS-24 Mod 1, SS-25); SSBNs (Typhoon and Delta IV) carrying MIRVed SLBMs (SS-N-20 and SS-N-23); and heavy bombers (Bear H and Blackjack) carrying air-launched cruise missiles (AS-15 and AS-X-19), short-range attack missiles (AS-16), and gravity bombs.

Figure 1

Soviet Central Strategic Force Modernization
1989-1990


Systems Added
ICBMs
Road Mobile SS-25 (1 RV)
RR Mobile & Silo-Based SS-24 (10 RVs)
Silo-Based SS-18 Mod 5 (10 RVs)
SLBMs
Typhoon SSBN w/SS-N-20 (10 RVs)
Delta IV SSBN w/SS-N-23 (4RVs)
Bombers/Missiles
Bear H w/ AS-15 ALCM
Blackjack w/AS-16 SRAM + Bombs
2525 ICBMs, SLBMs
& Bombers
~11,500 Nuclear Warheads
Systems Withdrawn
Silo-Based SS-17 (4 RVs) &
SS-19 (6 RVs)
Silo-Based SS-18 Mod 4 (10 RVs)
Silo-Based SS-11 (1 RV)
Yankee SSBN w/ SS-N-6 (1 RV)
Bison w/ Bombs

As they deploy these systems, the Soviets, who continue to adhere to the key ceilings of the unratified and expired SALT II agreement, are steadily retiring older missiles and bombers. (See Fig. 1.) While the Bear H bomber and Typhoon submarine programs appear to be drawing to a close, other programs including the SS-25 small mobile ICBM, the SS-24 heavier rail-mobile and silo-based ICBM, and the SS-18 Mod 5, their very heavy silo-based ICBM, as well as the Delta IV submarine with its SS-N-23 SLBMs and the Blackjack bomber, are all apparently in midstream and deployments are likely to continue over a period of several years.

The Soviets are also upgrading their strategic defenses. They will almost certainly continue the deployments of the SU-27 Flanker and MiG-31 Foxhound "look-down shoot-down" fighter interceptors that can be supported by the IL-76 Mainstay AWACs, as well as additional SA-10 surface-to-air missiles. These deployments will provide the substantial and long-sought intercept capabilities against aircraft and cruise missiles designed to penetrate Soviet airspace at low altitude. For 25 to 30 years, the Soviets lacked the capability to intercept even the large B–52 bomber operating at low levels where it could have safely penetrated Soviet airspace. Beginning in the late 1980s and now going on into the 1990s, at long last the Soviets are closing that window of penetration opportunity.

In addition, the Soviets are just completing the modernization of the limited ABM system around Moscow, modernization that has been carried out within the terms of the ABM Treaty of 1972.

[Additional information supplied by the witness from a prepared statement.]

Over the past years, they have added the large phased-array Pillbox battle management radar, as well as two new silo-based interceptor missiles.

As you know, of course, Presidents Bush and Gorbachev agreed at the Malta Summit to accelerate efforts to conclude a START treaty in 1990. The sides appear likely within the year to sign an agreement allowing each to deploy 6,000 accountable weapons, 4,900 ballistic missile reentry vehicles, and 1,600 strategic delivery vehicles, and also to limit the Soviet Union to no more than 154 "heavy" ICBMs; that is, half of the SS–18 force currently deployed.

The implementation of such an agreement would likely reduce the Soviet central strategic arsenal measured in weapons by roughly 40 percent; that is, from its current level of approximately 11,500 weapons to a force of roughly 7,000 weapons. (See table 2.) We cannot know the precise force composition or exact numbers of weapons at this time, because it will depend heavily on how they choose to take advantage of the opportunities for deploying penetrating bombers. Ballistic missile warheads, the fast flying component of the Soviet strategic arsenal, will be reduced by over 50 percent; that is, from 10,300 to 4,900 weapons.

[Additional information supplied by the witness from a prepared statement.]

Table 2

SOVIET STRATEGIC NUCLEAR ATTACK FORCES

	1990	1995 (START)	1995 (No START)
ICBMs			
Silo-based/RVs	1218/6180	194/1940	608/5480
Mobile/RVs	188/ 350	542/ 992	550/1000
	1406/6630	736/2932	1008/6480
Submarines/SLBMs/RVs	62/944/3676	18/312/1968	38/600/3600
Bombers/weapons	175/1240	150/2000	175/2600
Total delivery vehicles/weapons	2525/11546	1223/6900	1783/12680

In the absence of a START accord, Soviet central strategic attack forces probably will increase modestly by the mid 1990s; that is, from 11,500 weapons today to perhaps 12,700 weapons. This expected growth is predicated on substantial retention of older MIRVed missiles, including all 308 SS–18s, most of the 310 SS–19s, and a large number of the SSN–18s that are deployed on Delta III submarines. These missiles, however, are becoming obsolescent, and if the Soviets choose not to make the substantial financial investments to replace them, even in the absence of a START agreement, we could see a decline in the Soviet strategic arsenal by up to several thousand weapons, even if the super powers fail to conclude a START agreement.

With or without a START agreement, the survivability and lethality of Soviet strategic attack systems will certainly improve over the next several years thanks to continuing deployments of increasingly accurate ICBMs in both mobile and silo-based configurations, the deployment of quieter SSBNs, strategic nuclear-powered submarines, carrying more accurate submarine-launched missiles, and the Blackjack bomber. Despite the continued vigor of these efforts, however, the Soviets have no prospect whatsoever of acquiring the capability to win a nuclear war against the United States.

Moreover, Soviet political and military leaders are fully aware today and have been for several years that each superpower can inflict devastating retaliatory damage against the other with a force of several thousand surviving nuclear weapons, even if it were to be subjected to a would-be disarming first strike. Over the past several years, the Soviets have come to adopt Western terminology on these matters in their political discourse, public discussions and analyses. They non-describe the existing retaliatory deterrent stalemate between the Soviet Union and the United States as a situation of "mutual deterrence" and "of strategic stability." Soviet senior political and military leaders are calling for the conclusion of strategic arms reduction agreements in START I and beyond that will deeply reduce Soviet and U.S. strategic attack forces while maintaining this "strategic stability" and the rough parity that currently exists.

[Additional information supplied by the witness from a prepared statement.]

Despite wanting to avoid a catastrophic nuclear war and to reduce strategic forces reciprocally through START, the Soviets will nevertheless steadily update their operational plans for strategic nuclear conflict. These plans, by all indications, continue to call for one or two massed strikes during the initial hours of nuclear conflict; such strikes would target the nuclear and conventional forces, political leadership, and economic-industrial base of the United States and its NATO allies in an effort to destroy their warmaking capacity and to break their will to resist. Soviet operational doctrine for nuclear war will almost certainly continue to call for survivable Soviet attack forces, as well as command and control capabilities that can support sustained strike operations in a protracted nuclear war.

CONCLUSION

In conclusion, let me summarize my points. Recent events in the Soviet Union and Eastern Europe, particularly those of the past year, have dramatically reduced the military threat posed by the Warsaw Pact. The Soviets and their allies have begun to decrease the size and offensive capability of their military forces, particularly those stationed in Central Europe. More significantly, the East European states are regaining national independence from Moscow. Clearly, the Soviets can no longer expect these nations to contribute forces to a Soviet offensive campaign. Even greater reductions in Soviet and East European forces appear likely if the new democratic governments in Eastern Europe succeed in consolidating their power and if NATO and the Warsaw Pact sign and implement a CFE agreement along currently agreed lines. In addition, the conclusion of a START agreement could significantly reduce the attack potential of the Soviet strategic nuclear attack arsenal, making our maintenance of a secure deterrent force somewhat easier, although this reduced attack potential would by no means eliminate their capability for massive devastating retaliation.

As yet, however, these extremely favorable changes have by no means been completed, nor is the movement toward their achievement irreversible, particularly in the Soviet Union. We cannot take for granted Gorbachev's success in bringing about radical political, economic and military reform as he faces a virtual civil war in Transcaucasia, mounting ethnic tensions in the Baltic states and Central Asia, and growing popular discontent throughout the U.S.S.R. resulting from the continued deterioration of the Soviet economy.

Clearly, fierce struggles are taking place in Moscow over Gorbachev's plans to drastically reduce and radically restructure the Soviet armed forces. Should a new conservative leadership take power, Gorbachev's plans to radically reduce and reform the Soviet military could be abruptly halted. The abandonment of these reforms could end the unilateral force reductions, encourage the Soviet military to resurrect the traditional offensive emphasis in Soviet military doctrine, and possibly even preclude the conclusion of a CFE agreement.

Now, it is difficult to speculate about the policies of a successor regime when it is by no means clear there will be one. No doubt that new leadership would face the same daunting set of problems that are now so severely testing Mr. Gorbachev; that is, they would still face terrible difficulties with the nationalities, pressures on a crumbling economy and the need to try to find resources and a method to reinvigorate economic and political life.

It would appear virtually impossible for Moscow to undo the Eastern European democratic revolutions of last fall short of the use of force on a massive and bloody scale. And it is by no means clear even such forceful intervention would produce outcomes favorable to the Soviet Union in those states. Neither the current leadership in Moscow nor a conservative successor regime would be likely, in my view, to undertake such an armed intervention in the foreseeable future. Nevertheless, a conservative successor government in Moscow might prove unwilling to withdraw large numbers of Soviet troops from Eastern Europe. Moreover, it might be expected to exert substantial pressure on its Pact allies to loyally support Soviet foreign policy initiatives and to remain members of the Warsaw Pact.

In light of these uncertainties and today's propitious situation from an American, most certainly not Mr. Gorbachev's, point of

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view, the West should, in my view, intensify its efforts to promptly conclude both START and CFE agreements that would significantly reduce the forces on both sides over the next few years. We should most certainly move expeditiously to lock in these agreements, which I think are most certainly in U.S. interest. At the same time, the United States should proceed to reduce and restructure its own forces as, but not before, these agreements are implemented. That appears to be over the next few years if we succeed in concluding those agreements during 1990.

Even if we succeed in achieving these extremely ambitious reductions, the Soviet Union will retain substantial and capable, albeit much smaller, strategic nuclear and theater conventional forces. The United States and its Western partners will have to adjust their collective forces and military strategy appropriately to continue to ensure successful deterrence and defense in a new and challenging security environment.

Thank you.

Chairman NUNN. Thank you, Dr. Warner.

Richard, we are delighted to have you back. You have appeared before this committee many times, and you have always made a valuable contribution, so, we are pleased to have you.

STATEMENT OF RICHARD PERLE, RESIDENT FELLOW, AMERICAN ENTERPRISE INSTITUTE

Mr. PERLE. Thank you very much, Senator Nunn.

I want to thank you for simply introducing me in absentia. I have been tried so many times in that place that it is a pleasure only to be introduced there. And I apologize for the logistics failure that made me late.

Chairman NUNN. No problem.

Mr. PERLE. I am delighted to appear before the committee to discuss, some of the implications of the remarkable political change taking place in Eastern Europe for our national security and the size and content of the defense budget.

I hope I may be allowed to observe that the collapse of the Soviet empire in Eastern Europe is in large measure a result of the postwar strength and determination of the alliance of Western democracies. A great many people, including the leadership of this committee, have over the years contributed to the position of strength that led the Soviet leadership to choose a less bellicose, less menacing approach to international politics. You deserve the gratitude of those millions in Eastern Europe who owe much of their newly one independence to the forces of freedom who ran interference while they found and ran with the ball of self-determination. And I hope we will continue just a little longer until they make it into the end zone of freedom. They are not there yet.

Now that we see the military power of the Soviet Union ebbing with the receding tide of Communist rule and Soviet domination, there will be those who argue that the Soviet empire never amounted to much, that Western estimates of the strength of the Warsaw Pact were exaggerated, and that we can now go shopping for new programs with the savings the demise of the Soviet threat will allow us to achieve.

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This is of more than passing historical interest, for it will be necessary for some time to come to gauge correctly the threats still posed by Soviet military power in judging how to protect our security, and how to shape our military budget. So, before running to the bank with the illusive peace dividend, it would be wise to remember that Soviet military power remains formidable and growing even as the Warsaw Pact disintegrates.

It is Gen. James Galvin who has observed, and I quote, that, "Every month, the Soviets still produce enough tanks to outfit an entire division and enough artillery to equip four artillery regiments." That number may now be declined, and he made the statement a few months ago. But he goes on to say, "Since Gorbachev assumed power in March 1985, the Soviets have fielded more tanks and artillery pieces than currently exist in the combined armies of Britain, France and West Germany."

The Soviets continue to spend massively on military power. While we invest about 6 percent of Gross National Product in defense and our allies something like 3 percent, the Soviets, in my judgment, are spending 20 percent or more. Some specialists believe the figure to be as high as 25 or even 30 percent.

This debilitating Soviet investment in defense, which has proceeded apace despite the absence of any plausible threat, has produced and continues to produce a formidable array of military systems of all sorts, including an aggressive program of nuclear force modernization. The slight slowing observed recently seems to reflect Soviet anticipation of a strategic arms reduction treaty. Even so, it is a slowing that comprehends significant further investment within the levels contemplated by a treaty—if not beyond.

I make these points, Mr. Chairman, not to imply that nothing has changed. The transformation of Poland and Hungary, Czechoslovakia and East Germany, Romania and Bulgaria, the tearing down of the Berlin wall, the rising demand in Eastern Europe for a withdrawal of the Soviet troops that kept corrupt and stagnating Communist regimes in power against the will of their own citizens, all these changes have profound implications, mostly beneficial, for Western security.

It is simply no longer possible to imagine a cohesive Warsaw Pact led by Soviet troops forcing its way through the center of Europe in a massive invasion of NATO territory. The canonical threat against which a defensive NATO alliance has long been poised is no longer credible. As we consider how to respond, whatever else we do, we must do nothing to revive it as it sinks into implausibility.

Extreme proposals that would disarm the West after the cold war, as it was disarmed after World Wars I and II, would, immune to the lessons of history, run the risk that we might yet again make Europe safe for the exertion of Soviet military power. A careless rush to disarm in which we throw caution to the winds of change, shipping technology and capital to Moscow even as it reels under the weight of a massive military budget, a disregard for the importance of verification of international agreements, a dismantling of Western defenses in ways that would make them difficult or impossible to reconstruct should the need arise. These are the new threats that have come to replace those to which we have become accustomed.

But it is a vast improvement. It should prove far easier to fight an improvident, unseemly and dangerous euphoria than the Warsaw Pact division whose eastward movement we now anticipate celebrating—not so much, by the way, because we have sent an army of diplomats to Vienna, but because the emerging independent nations of Eastern Europe are quite determined to throw the bastards out. And if I may say so, I think we have seen only the beginning of the demand from these new Eastern European governments for the withdrawal of Soviet troops, and I do not think it will stop until they have all gone home with or without an active arms control negotiation.

There is a second canonical threat that seems to me much diminished. That is the threat of a massive Soviet nuclear strike out of the blue against the strategic retaliatory forces of the United States. A strike that would entail thousands of nuclear weapons exploding on American territory. I believe that Soviet attitudes towards nuclear weapons have been evolving, by and large, away from the contemplation of a massive disarming strike. The days when Soviet doctrine considered that nuclear weapons differed little except in explosive power from conventional ones are past. For the foreseeable future, I believe we can safely reduce the investment we make in protecting against a massive surprise Soviet nuclear attack.

The rapidity of recent change should humble us as we make sweeping predictions, although, if experience is any guide, it will spur more to rashness than it will temper with caution. My vote is for caution as we greet the millennium and divvy up the "peace dividend." That caution has to do with the instability that has resulted from the loosening grip of the Soviet Union not only in Eastern Europe, but in the Soviet Union itself.

Mr. Gorbachev has set in motion centrifugal forces that have reawakened old ethnic and national allegiances. In Lithuania, Latvia, Estonia, Georgia, Azerbaijan, Moldavia and elsewhere, there are hapless, restive people who have suffered under Soviet imperial domination. They see what is going on in Eastern Europe. They have seen the hammer and sickle torn from national flags. They have seen statues and regimes toppled, tyrants shot or imprisoned. In a world of instant communications, the revolution in Eastern Europe is on display in the most distant corners of the Soviet empire.

No one can say where this will lead. But an unstable Soviet empire could be a dangerous place. We have waited a long time for an opportunity to throw off the burdens of providing security for ourselves and our allies. We would be wise to wait a little longer before confidently predicting that we can afford to be weak in the face of uncertainty.

In any case, there is more to the world than Europe. As one looks to the Pacific, there are few signs of a diminution of Soviet military power. And while we should watch with interest the Sino-Soviet talks that have been revealed recently, I think there is a real danger of jumping to conclusions. We know very little about what is under discussion, or what the outcome will be. And already there is a temptation to discount forces that are still in place.

Maybe it will come. But it is more likely to come if the possession of massive military power in the Pacific is understood to be a costly and ineffective burden, rather than an instrument through which future as yet unformulated objectives might be realized.

So how then should we shape the defense budget to take full and creative account of the political changes in Eastern Europe and the beginning of a change in attitude not yet matched by a change in investment in the Soviet Union? How can we manage the cuts in defense spending that everyone knows are coming, in a way that protects our security and encourages further change in the Soviet Union?

Two principles in my view should guide the shaping of a national strategy and the defense budget that goes along with it. These are first, we should reduce force structure to reflect the lessened Warsaw Pact threat, while maintaining the quality of the smaller residual force, especially as regards the cadre necessary to re-establish larger forces should that become necessary.

Second, we should protect research and development and the defense industrial base, so that we can reconstitute advanced military capabilities should the need arise.

Mr. Chairman, the application of these two principles would probably mean a sizable cut in the overall military forces, especially ground forces, in order to assure that a smaller armed force will be adequately equipped and trained and poised for rapid growth, if our hopes for a less menacing Soviet Union should be disappointed for whatever reason.

It may mean skipping the next generation of weapon systems on the grounds that the increased risk in the near term of making do with the current generation of equipment is manageable while the future is murky. I would allow some exceptions here, as for example the B-2 aircraft. I would not proceed with either the Midgetman or the rail mobile MX: the current generation of ICBMs should prove adequate and the next generation—for we will need a strategic deterrent as far as the mind can see—will benefit from further research and development if it is delayed for a few years.

The same should hold true for many conventional weapon systems: making do with the current generation should not entail an intolerable risk, while we press ahead with R&D and develop a better sense for how the world is evolving. I doubt that a new tactical fighter is now worth the cost, if we can keep the current ones flying, for example.

There is one program in which we should be investing more rather than less: SDI. As the prospect of nuclear proliferation draws closer, we should be reminded that the threat is neither exclusively Soviet, nor for that matter exclusively deliberate. There are third countries, and there are accidents. And these two reasons alone would justify a vigorous research and development program to push back even further the frontiers that have recently been yielding to impressive research results.

It is, I believe, unprecedented in human history for a nation with the technical and financial resources to protect against a known mortal danger to decide as a matter of national policy to do nothing. The serious program of defense R&D re-oriented toward limited partial defenses can and should go forward even in the face of a shrinking defense budget.

With respect to arms control, I would urge that we consider and propose cuts far deeper than anything we have tabled so far. Especially in START, where the treaty now taking shape allows for more weapons than Ronald Reagan proposed to Leonid Brezhnev nearly 8 years ago. We could safely make far deeper reductions and benefit both our security and Mr. Gorbachev's prospects at the same time.

You know, it is extraordinary when you consider that despite all of the changes, despite the transition from Brezhnev to Gorbachev, we now have taking shape a treaty that essentially reflects the approach that we thought we might be able to achieve with Brezhnev, except we allowed the numbers to rise even beyond that. And before rushing to conclude this treaty—and I do not understand the haste with which we are doing it—we ought to consider much deeper reductions. I think we can get them from the Soviets. I think the judgment about their parlous economic state is correct, and I believe we will be wasting a marvelous opportunity, if we conclude a massive 500 or 600 page treaty now, and lose the momentum that would be entailed in the transition from START I to START II, which could go on for years. This negotiation has been going on for almost 15 years.

I am under no illusions about the likelihood that the administration will now shift gears. But it is certainly worth thinking about, because the dividend is very substantial if we could do it.

Finally, Mr. Chairman, it will not surprise you to know that I think it dangerous in the extreme to abandon the system of export controls that has helped the West maintain the technological edge on which our security is long dependent. We can and should liberalize our embargo with respect to and in support of the emerging democracies in Eastern Europe. But we should do so on case by case basis and with serious controls and verification that will keep sensitive technology out of the Soviet military establishment. The rush to dismantle the COCOM controls raises serious doubt about whether we can hold euphoria at bay long enough to develop a technology policy that is both farsighted and wise.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you very much, Mr. Perle.

Dr. Warner, Mr. Karber, we appreciate all of you being here. I will start the first round of questions. We have 6 minutes, and I will ask the clerk to notify all of us when our time has expired.

Mr. Perle, you mentioned that we should go for deeper cuts in START. Of course, one thing that gets the weapon count up substantially is the bomber counting rules which we pursued as rules that would be in our favor and in the favor of stability because we wanted to move both sides more toward bombers and less toward missiles, I assume.

You also made reference here in your statement to continuing the B-2. That was one that you said you would give priority to.

Let me ask you and Dr. Warner both, how would you go for deeper cuts now? What would be your approach?

I think all of us would applaud deeper cuts. I certainly would if they can be stabilizing. By that, I mean remaining an incentive for neither side to go into first strike posture.

What would you do to get to that? Would you drop the bomber counting rule, which opens up a whole lot of weapons and so forth, or would you make some other change that would go to particular weapons systems?

Mr. **Perle**. I would certainly be willing to take a fresh look at the bomber counting rules, and I think we need to reconsider the concepts of stability that we have applied for many years now—concepts that we go on applying in part because we have applied them for so many years.

It is not an easy decision to launch a massive first strike against American territory. It has never been an easy decision. It has always struck me as the least likely contingency because of the catastrophic consequences for the Soviets. I believe those consequences would be catastrophic for them even at much lower levels, including the lower levels of bomber weapons.

What is now taking shape is a treaty in which the Soviets will still have roughly 5,000 ballistic missile warheads, which seems to me an excessive number for purposes of assuring a retaliatory capability, and we, too, would enjoy levels that are in excess of what we need. We had stability a long time ago when we had much smaller forces, and I think we can achieve stability again at lower levels. I have some doubts about how much stability we are going to get out of levels as large as we are now contemplating.

So I would like to see us at least go back to where we were in 1982 when we first proposed to the Soviet Union reductions that are deeper than those that are currently under consideration.

Chairman **Nunn**. I guess my only point was I think that the move toward more warheads has come mainly through the bomber counting rules and that we have been the ones pushing that. That has been going on a long time. So it seems to me unless you are prepared to come to grips with that one, it is awfully hard to see how you are going to get a whole lot more unless you go for some cancellation of weapons systems, which has some appeal to me.

I will ask Dr. Warner to address this same subject. For instance, would you go for something like a proposal that the United States would give up the MX, not just the rail mobile MX but the MX, if they get rid of the SS–24 and the SS–18?

Mr. **Perle**. I certainly would not reject that out of hand. For a long time I have thought that the ballistic missile component of the forces is in many ways a source of instability or a potential source of instability, and if we could eliminate it that would be a useful thing to do.

Chairman **Nunn**. Dr. Warner, let me ask you both of those questions.

How could we go for lower numbers; and then the second question, would you go for or at least think it is worthy of examination getting rid of the MX, period, the multiple warhead, 10-warhead system if they got rid of their multiple warhead systems, both the SS–24 and the SS–18?

Dr. **Warner**. Well, it is a tough call, Senator, of course, whether we ought to tamper with the current agreement, which by my memory is even a little lower than that which the Reagan administration proposed in 1982. They proposed a limit of 5,000 ballistic missiles weapons. START has 4,900. They originally proposed no less——

Mr. **Perle**. 5,000 warheads.

Dr. **Warner**. 5,000 warheads. START has 4,900 warheads.

In any case, the problem that we have here is somewhat the "hot biscuit" syndrome. I mean, do you put this one on hold and take a run at some new and different treaty? The main payoff might well be to adjust the 4,900 ballistic missile warhead ceiling down further.

I guess my preferred solution would be to conclude START I as currently agreed and move immediately into START II and within START II aim at reductions that might very well cut things in half again; that is, I would see the limit ultimately going down to 2,400 ballistic missile-borne weapons.

Now, can you get a limit of 2,400, 3,000 or 4,000 written into START I——

Chairman **Nunn**. Are you talking about warheads now?

Dr. **Warner**. That is warheads on ballistic missiles.

Can you get that into START I? Well, the Soviets are at 10,000 plus in this category, and it is just a question of whether they are prepared to sign up at this point to come from 10,300 down to 4,000 or 3,000 ballistic missile warheads or whether you do it in doses.

I think I would prefer getting a substantial dose, more than half, 10,300 down to 4,900 in START I and then move on to further cuts in START II.

On the bomber counting rules, it appears at this point that neither side is going to exploit them fully. The generous counting rules were for penetrating bombers, those not carrying air-launched cruise missiles. It appears now that the Soviet Blackjack production as estimated by the intelligence agencies is quite low, and their expectations of the total force have declined in the last couple of years.

You, of course, have before you the question of the fate of the B-2. It seems that if it is going to be completed at all, it will probably be produced in lower numbers than originally projected. So that counting rule and its use by either side appears to be less than we might have thought just a year ago.

Let me turn finally to the question of eliminating the MX in a trade for Soviet MIRVed ICBMs. That would be a pretty terrific trade. To be correct, I would make it even tougher and say the Soviets ought to confirm they are also going to retire the currently fairly substantially MIRVed ICBMs, the SS-19 and SS-17 as well as the SS-18s and SS-24s.

Chairman **Nunn**. We are beginning to do some of that ourselves unilaterally.

Dr. **Warner**. We are slated to unilaterally retire, of course, our Minuteman IIs. They have been withdrawing the SS-17s and SS-19s as they deploy SS-24s. I would want reassurance. I think a long-term goal for strategic arms limitation should be a ban on all fixed land-based multiple warhead ICBMs. I am not as convinced as you are, Senator, that a ban on the mobile variants of these MIRVed ICBMs is as useful. I think the priority should be——

Chairman **NUNN**. I do not think that is an end in itself. If that is all you were going to do, I do not think it is worth doing. If that is not a means to get to the same end you are talking about, then I would be on the same wavelength as you.

Dr. **WARNER**. Let me add one final point on the question of the ABM Treaty. If we are going to have a substantial reduction in a START agreement, we are going to have to continue, in my view, because of the Soviet demands to honor the ABM Treaty prohibition on the deployment of extensive nationwide ballistic missile defenses.

Now there is, of course, the possibility of trying to erect a thin ballistic missile defense to protect against third countries and unauthorized launches. But we must be very careful; such a thin defense would need to be constructed in a way in which it would be unambiguously very thin and not a ready foundation for more substantial expanded defenses. An extensive nationwide ballistic missile defense would be incompatible with START I agreements of the type being discussed, let alone with more ambitious START reductions.

Chairman **NUNN**. Mr. Perle, my time has expired, but let me get you to respond to that by asking you what you mean here by, "a serious program of R&D reoriented toward limited partial defenses can and should go forward even in the face of a shrinking defense budget."

It sounds to me like you are talking about a different kind of SDI than what we have talked about before when you use the word "partial". You have used that before, I believe, but you also said "reoriented". Tell us how you would reorient it and what your partial would be. Are you talking about something like an ALPS system?

Mr. **PERLE**. I am not quite sure what an ALPS system would look like, but I have never thought it possible or affordable to deploy a perfect defense. It has always seemed to me that a partial defense consistent with deterrence is both stabilizing and in important ways useful for a variety of purposes other than deflecting or diminishing or dealing with a Soviet attack.

So I would not rush to deploy something, but I certainly would not, at a moment when we have some extremely promising research results in a program like Brilliant Pebbles, rush to deploy. I would not rush to deploy Brilliant Pebbles, but I would continue a vigorous R&D program because I believe that at the rate we are overcoming technical obstacles to defense, we are moving toward the possibility of defenses that would protect against an accident or a miscalculation or an unauthorized launch and give some limited protection against the preemptive strike, the likelihood of which I think is pretty low anyway.

Chairman **NUNN**. On that latter point, you do not really need something as sophisticated and as expensive as Brilliant Pebbles to do what you have described. You can do it with a whole lot less sophisticated and less expensive technology.

I guess the word I am focusing on, you say "R&D reoriented". That implies you are saying that we do something different from what we are doing now.

Mr. **Perle**. No. I would reorient the program in terms of the objective of a relatively near term deployment and a fairly comprehensive defense toward a partial defense. It is not the R&D that I would reorient. It is the overall program.

Chairman **Nunn**. So you would be moving the goal backward in terms of time of deployment, and you would be going for a less complete defense, more of a partial defense; is that correct?

Mr. **Perle**. That is correct.

Dr. **Warner**. Senator, I have just one brief comment. Space-based layers are precisely the ones that are most difficult to erect that would have a limited character. To make Brilliant Pebbles work, there is some minimum involving a very substantial number of these autonomous interceptor-missiles that would have to be put up into space, and it is very difficult to argue that such a large layer would be of a limited character.

Perhaps Richard or others at Lawrence Livermore can clarify a version of Brilliant Pebbles that seeks to provide a "thin" defense. I would be interested in that elaboration.

Mr. **Perle**. If I could just comment briefly.

Chairman **Nunn**. We are going to have a lot of hearings, and I did not want to get too far off on this. My time has expired. Let me go ahead and shift here, and we can come back to it. Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

Gentlemen, we thank each of you. You have made a very important contribution to this future debate here in the Congress. You are here advising the Congress of the United States, and you have made clear, particularly you, Mr. Perle, your thoughts that we ought to abandon certain programs which are likely to be brought up here next week by the President of the United States and a request accompanying them for authorization appropriation.

Now I assume that each of you think there is great value in continuing to reach these reductions, particularly in the area of strategic missiles, through arms control arrangements and likewise in Vienna in the CFE, because not only do we get a reduction, we get certain benefits through verification that are invaluable should we see a reversion in the Soviet Government of some type.

Now a plain, practical question to three keen observers of the Congress of the United States, how do we keep the horses in the stable that want to accept your cut to all these programs and pace ourselves with the negotiations at the table so that we do not undercut the negotiators?

I mean, we are back at the very problem, Mr. Perle, that used to come up here in the halls of the Congress when you were in the Department of Defense and said, hold it, you are going too fast, you are overrunning the ability of the negotiators to achieve these agreements.

Mr. **Perle**. Senator Warner, I think the importance of these agreements has declined dramatically.

Senator **Warner**. Really?

Mr. **Perle**. Yes, I do, not least of all because whereas a few years ago we always projected (I did not always believe it) but as a country we projected vast increases in Soviet strategic forces in the absence of arms control agreements. I do not believe those projections now, and I did not believe them then. Nobody believes them now.

The Soviet empire is collapsing. It is a very different world.

Senator **Warner**. Not in terms of the strategic capabilities.

Mr. **Perle**. I believe the Soviet Union's ability to continue to grind out strategic weapons mindlessly as it faces economic collapse is not a threat to be regarded with the seriousness with which we had to take it 10 years ago, which is why I am not keen to rush. I think that time is on our side in a way that it never was before; that with every passing month the pressure on the Soviet leadership to reduce these weapons unilaterally even increases.

As Ted Warner observed, in the absence of a treaty the Soviets could maintain a higher level than the treaty levels by keeping old obsolete systems in the force. Well, that is a completely pointless thing to do.

Senator **Warner**. Let us get down to specifics. We have a Presidential budget coming here next week. Our hearings have started, to be followed by markups. You know the process. At some point in the June-July time frame we are likely to send a bill to the floor.

Now my question to you is do we incorporate in that bill a continued strategic modernization program to support the negotiations in START, to continue to support a modernization of conventional weapons to support the negotiators in Vienna, or do we begin the cuts right there in the Congress and leave the negotiators with little to trade at the table?

Mr. **Perle**. Senator, there are going to be some cuts.

Senator **Warner**. Well, the cuts that you point out here in the two major systems of land-based missiles are very major.

Mr. **Perle**. I do not think that the Midgetman has the slightest influence on the Soviets, and I think a mobile MX has only marginal influence.

Senator **Warner**. Then you are suggesting we not incorporate that in our bill, irrespective of what is taking place in the START negotiations?

Mr. **Perle**. That is correct. If we are going to find a way to provide for national security within budget constraints, I think those are two programs that we could safely do away with, and I fear the consequences of doing away with other more valuable programs.

Senator **Warner**. So Congress should proceed unilaterally, then, irrespective of what value they may have in the course of negotiations in START?

Mr. **Perle**. In my judgment, they do not have much value.

Senator **Warner**. That is clear.

Dr. Warner, your views on that?

Dr. **Warner**. Well, I think in order to sustain a survivable, effective deterrent at much reduced force levels, we need modern systems. I believe we should most certainly continue deploying the Ohio-class submarines and probably——

Senator **Warner**. Wait a minute; a specific question. Congress is paced between now and July on a bill. Should those systems be in the bill or not in the bill in terms of——

Dr. **Warner**. Yes.

Senator **Warner** [continuing]. Assessing the support of our arms control negotiations?

Dr. **Warner**. I believe that new systems should be deployed not simply to support our arms control negotiators. They are needed primarily to shape a strategic nuclear arsenal for the future which will, I anticipate, be at substantially lower levels but still needs to be survivable and effective.

I think the following systems should most certainly still be fielded. I think the Ohio-class submarines——

Senator **Warner**. I think that is clear, but my time is running out, and I want to talk to Mr. Karber.

Dr. **Warner**. I did not list them. I was not undeviatingly——

Chairman **Nunn**. I will yield you a little extra time, Senator Warner, and let him list the ones he is talking about. We will not count this against your time.

Dr. **Warner**. First regarding the Trident sub and the D–5 missiles, I would proceed with both but not backfit the D–5s into the existing Trident subs. That would be wasteful. I think we should proceed with the advanced cruise missile and with the B–2 bomber because of their unique "stealthy" character but almost certainly at overall force levels below those that have been proposed.

On the question of a mobile ICBM, strategically the Small ICBM, in my view, makes more sense, but it will cost $20 to $30 billion, depending on the number of RV's it carries. A mobile rail garrison MX probably appears more attractive at $5 billion. If we get a ban on MIRVed mobile ICBMs then that one, too, could be foregone.

Senator **Warner**. What value do you ascribe to the arms control process now in view of the background that Mr. Perle and yourself and others have ascribed to the Soviet Union? Has it lost some of its viability and importance?

Dr. **Warner**. Richard and I have disagreed on this for 20 years, and we still do. I believe that arms control still has great importance. I believe through arms control we seek to reduce the attack potential on both sides and to encourage survivable systems. Our choice is do we want a Soviet adversary armed with 10,000 to 12,000 strategic weapons or one with some 7,000 weapons or even less.

Senator **Warner**. I think your point is clear. So you agree with me that we should continue to ascribe a great deal of value to the arms control process.

Dr. **Warner**. I believe that we should continue.

Now Mr. Karber.

Mr. **Karber**. Yes, Senator. It was this discussion that led me to walk in and say that what I thought we needed today or in the near future is what I call a best case plan; that is, rather than let incremental cuts rip through the programs—which would be disastrous. I think we are closing out programs willy nilly, not having a sense of direction about what the overall force structure is supposed to look like if everything works out nicely, not to mention if things come to a stall or a halt in international developments.

It is a great way to spend a lot more money and end up with a lot worse force. It seems to me we are better off to look out 5 or 6 years and, given that peace descends on the East-West relationship, we would have a unique opportunity to redesign American forces. The savings one would achieve through implementing a rationalized force design over a 5- or 7-year period would swamp those which could result from any incremental decisions we would make right now.

If we lay out a sense of where we want to go both in strategic forces and in conventional posture in a world that looks very peaceful, then I think we could have a very rational force.

Senator **Warner**. In other words, you would keep pace with the arms control negotiators and our authorizations and appropriations for these programs?

Mr. **Karber**. Yes. Now, we need a sense of direction. We have had a direction in the sense that we were viewing ourselves in a major, long-term, strategic competition with the Soviet Union, and we were afraid they were going to eat our lunch if we did not push the state of the competition everywhere we could.

The possibility of that relationship changing now, I think, is high enough that we ought to think about the consequences of facing 5 or 6 years from now a very noncompetitive relationship with the Soviet Union? What kind of force would we need and want?

I am not sure I would want a fraction of the force or the programs that we want today, but I dare say nobody has sat down and thought about it in much detail. And, rather than go for short-term, quickie, headline-grabbing budget cuts, in the long term we are going to save far more money and have a far more effective force if we figure out what the new environment will require. Now, I would not create that force prematurely, but rather implement it in parallel with a set of expectations.

Now, let us turn to arms control.

Chairman **Nunn**. Let me throw in one point here.

One of the key things that we are going to be pushing in the Department of Defense—and I have already had some discussions with them—is to come up not only with a 1-year budget, but with the 5-year plan on which that is based. That has got to be the starting point and base line.

Now, that is obviously not the best case but if we do not have an updated 5-year plan from the Department of Defense, it is going to be very hard to do that kind of best case planning.

So, the first thing we have got to do—and I hope the Department of Defense has someone listening—is to make sure that we get their basic 5-year plan updated based on these changed events, and that is why we are starting with the threat and we are going to emphasize threat and strategy much more than we are going to emphasize the details of this budget, as important as that is, in the first part of these hearings. So, I could not agree with you more.

We need a best case. We need a case that we get from the Department of Defense which will not be the best case. It never has been and probably never will be, but we need to have some understanding of that as we make these year-by-year decisions.

Mr. **Karber**. It seems to me that something ties very importantly to the other part of Senator Warner's question, and that is the issue of arms control.

I think now is the time to put the pressure on to try to get significant, militarily meaningful arms control and not symbolic propaganda activity.

The reasons for it are several. There are going to be events that occur in the international environment that are going to be unpleasant or misperceived by one side or the other. Arms control agreements which help calibrate the balance set a shared perspective on each side. They provide a sense of what to expect and what the other side is allowed, what to look for in terms of the limits

Your point, Senator, about verification is absolutely crucial. The more we see, the more they see, the more confidence we are going to have and the better able to reduce our anxiety about potential feuds or breakouts.

Third, there is the issue of ceilings. We have lived for a long time, for example, with inferiority in conventional forces. It is beyond the scope of the arms control process to force us to meet a ceiling if we want to live with less. All arms control is doing is setting a ceiling. If we do not want to match it, if we want to save some money because we do not think the threat is there, then arms control does not force us to stay at a force level which we don't want to fund.

Senator **Warner**. Mr. Karber, I do not want to cut you off, but in fairness to my colleagues, my time has expired. Mr. Chairman, I thank you.

Mr. **Karber**. It seems to me that arms control and long-term planning and budgeting have to come together. If they do not, we are going to end up with a world in which for the short term we may feel good but in the long term we will not achieve the constraints we have negotiated so long and hard for and where we will have a force on which we will have spent a lot of money only to have it be ineffective in its posture.

Chairman **Nunn**. Thank you, Senator Warner. Senator Glenn.

Senator **Glenn**. Thank you, Mr. Chairman.

We have lived for so long with the concentration on Europe and the set piece, Central Europe warfare concept, M-1 tanks and so on. Now that is changing dramatically.

Obviously we are going to be faced with which weapons systems we are going to cut back this year which will expand and whatever.

I think as we see the threat in Central Europe go down, though, which you all have talked about and which we see happening every day, if we are going to know what military we need in the future, we have to define where the threats are going to be in the future and what we foresee as the threats. What could bring the Free world to its knees?

Well, holding the Persian Gulf for 90 days by whomever might do that certainly would be one way. Forty percent of the oil for the Free world comes out of that area. It would bring the industrial world to its knees if the Persian Gulf was held for a period of time.

So, it seems to me we want to keep not only the smaller but well equipped forces Mr. Perle talks about, but also stress the mobility.

Are we going to have to go to the Persian Gulf if we have smaller forces, might they then have to come back to Central Europe if there was a threat there? It seems to me that the mobility is extremely important for the choke points of the world or for places like the Persian Gulf which are the vulnerabilities to the world's economy of the future.

I think we have to define as best we can where we see the threats of the future if we know what military posture we are going to have for it. That is so fundamental.

I think we tend to get drawn into the arguments of Midgetman versus MX and so on which are very controversial, and we all have our views on those, but would you each address where you see the threat and what the basics are of meeting that threat. I think there are some fundamentals here that we have to get at, and we are going to have to address this year. It even gets over into such things as what role do we assign the Reserves as opposed to the Regulars.

We are having the Defense Department reexamine the whole total force concept. Can we make some changes there that are going to save money as we pull down? But, I think as we pull down, scaling down is more difficult than expanding and when you scale down, we have the opportunity now to try as best as we can to define the threats of the future and then match the forces to it, whatever that is. Unless we do it that way, I think we are just going to wind up with a mismatched force that is not really set to do anything in particular.

Mr. Perle, would you address that.

Mr. **Perle**. Senator Glenn, I think your point is well taken. It is a lot easier to observe the way in which the threat in Central Europe is declining than it is to define the threats for the future.

But certainly you are right that the Persian Gulf is a critical area. It is an area where we are weak, where our ability to deliver forces is limited and will continue to be limited vis-a-vis Soviet forces.

As I recall, in the time that it would take us to deliver a division to the upper gulf, the Soviets could deliver 10 divisions to the same area, so there is no contest in the gulf if they should decide to use military power there.

Now, there is an assumption that using military power in the gulf is not something Gorbachev would do, but we do not know how long Gorbachev is going to be there, nor do we know what Gorbachev might do in a situation significantly different from the current one, and his situation changes daily.

Azerbaijan is not so terribly far from the Persian Gulf. So, I think you are right to worry about the ability to bring force to bear at distant locations. That implies mobility, but at this point it is, I think, easier to say that the burden on our forces, heavy forces in Central Europe is declining faster than we can see where the other threats are emerging.

Senator **Glenn**. Would any of you comment on the Third World expansion of nuclear power and missiles and the potential for chemical weapons on these missiles and things like that?

I see that as the fastest growing threat we have. As the Central European threat diminishes, these threats from other developments around the world by nations we have paid very little attention to is expanding very rapidly.

Dr. Warner.

Dr. **Warner**. If I might comment, Senator, there is no doubt that the military forces within the Third World in general are improving in quality because of a burgeoning and the very substantial arms trade that we and others are involved in. This includes the worrisome problem of ballistic missile technology and most certainly the proliferation of the capability to prepare and then deliver chemical weapons.

We cannot in my view—and I really agree with Richard Perle—specifically identify a single major threat in this area as we have for decades in Central Europe.

Instead, I think, we have to provide a more generic capability for the ability to project American power across a variety of circumstances ranging from so-called low intensity conflict through demonstrative fire power retaliation, if that should prove required, to more substantial but nonetheless limited intervention forces of a sort of highly ready, relatively light size of the kinds that were used recently in Panama and in Grenada and finally to a more substantial expeditionary force. Such an expeditionary force might have to operate in the greater Middle East, for example, over several weeks or months in the context of these substantial local, regional, modern ground and air forces.

So, it is in that context that we need to maintain a presence and a force in Europe of the kind that both of the other gentlemen described. We also need to develop a continental United States-based ready force and a capacity to expand that force if necessary whether directed toward Asia, directed toward the greater Middle East or possibly that same force can be part of the overall backup for major contingencies in Europe.

Senator GLENN. Mr. Karber, would you address the other threats.

Mr. KARBER. Very quickly, I think these Third World threats have several noticeable differences from the ones we have traditionally focused on. First of all, if there is not the East-West conflict as a backdrop behind those threats, they are not nearly as time-sensitive usually in terms of a direct threat to our national interest. Moreover, they are much more sporadic in terms of their impact on our interests.

The reason I stress that is, using the Persian Gulf as an example, the Soviets have 10 divisions trying to get into Azerbaijan today, let alone trying to get out into Iran. The capacity of the Soviets to go out into the Third World, I think, is going to be greatly restricted until they get their own act together, and by then they may have invented a new strategic or theater threat to our more traditional vital interests. So, the issue is really going to be much more of a policing function; that is, not unlike events we have seen in Panama, Grenada or Lebanon, some interesting and some quite tragic.

That is a thankless job. It is one that does not necessarily require large forces. I think we have to be careful when we push the issue of mobility and speed. Certainly there are contingencies where one stitch in time saves nine, where you want to get some airborne troops or someone there very quickly.

Our fastest national resource in terms of responding to these is going to be air. The problem is there is going to be a significant reduction, in my view, of our basing rights around the world. I think they are going to continue to decline.

Our ability to project air power long distances is likely to go down—even if we buy a B-2—rather than go up because in terms of sortie generation or having any effective tactical cover for the insertion of force, that requires local, proximate basing. So, one could easily imagine the difficulty of trying to find enough airlift and air support to send and support forces.

If one looks at a reasonable speed or response time, fast deployment shipping can get us just about anywhere in 2 weeks. It is also about the time it takes to get a carrier battle group to also provide the local air support. So, I would not try to bust the bank pushing the mobility envelope in terms of a global response. Having some airborne forces that could get in quickly, yes, but a force that is actually going to do significant occupation or try to project significant power ashore in most parts of the Third World is going to be sea-delivered. We will not be able to afford the other.

There are some ways to design that force in terms of using fast sealift, orienting our reserves so they can flow in at the same time the shipping is available. We really have not done much in terms of setting our force structure for those kinds of contingencies, and we ought to give a lot of thought to that.

Senator **Glenn**. That is one of our questions. Is it time to change our forward deployment strategy just rapidly?

Dr. **Warner**. Undoubtedly it is going to decrease in many places. It is not going to be totally eliminated. It will decrease very substantially over the next decade in Europe.

I believe it is most certainly time, as the South Koreans become more and more competent in their military capabilities to decrease at least U.S. ground force presence in Korea. The Navy carrier battle groups that we keep out around the world will probably also decline in overall numbers. A decline, yes, but by no means an elimination.

Chairman **Nunn**. Thank you, Senator Glenn. Senator Cohen.

Senator **Cohen**. Thank you, Mr. Chairman.

Gentlemen, I thank you for seeing that all of us are concerned about the situation in which we find ourselves where the budget seems to be driving policy and force structure, rather than the threat assessment and the policy shaping that force structure and budget.

In the absence of such a policy framework, it would leave us in what I would call a sort of Darwinian survival of the fittest for programs being advocated by various people in the President's cabinet, here in the Senate, and in the House.

So, what we are searching for is to see if we cannot solidify some policy that we can hold on to as we debate the budget implications.

Mr. Perle, I was pleased with your testimony, though somewhat surprised by it as well. One thing you indicated is that we are codifying higher levels of weapons in the START agreement than President Reagan proposed to Brezhnev. As I recall, the Reagan administration decided to go above the limits set by the unratified SALT II agreement over the objection of many of us, so there was some contribution to higher warhead levels from that.

But I could not help but feel——

Mr. **Perle**. The total number of U.S. nuclear weapons is lower today than when Ronald Reagan took office, and it was lower when he left office than when he took office.

Senator **Cohen**. But, in fact, we pursued policies that increased the numbers above the levels that were agreed to under the unratified SALT II.

Mr. **Perle**. But that was particular to the less than comprehensive coverage of SALT II. The total number of weapons actually went down with the Reagan administration.

Chairman **Nunn**. That would probably be true of every President since the early sixties, is it not?

Mr. **Perle**. That is correct, except remarkably enough, Senator Nunn, the level on the day Ronald Reagan left office was lower than the level that Jimmy Carter projected for that day had he continued in office. Just one of those footnotes to history.

Chairman **Nunn**. And that was entirely reasonable.

Senator **Cohen**. I hope I get an additional 30 seconds for that comment, Mr. Chairman.

Chairman **Nunn**. Absolutely.

Senator **Cohen**. I was just wondering what "Scoop" Jackson might have said sitting up here listening to your testimony, whether he would have been smiling or frowning as you articulated the views that you did. But I must say it was refreshing testimony, and you seemed at least to lend credence to the reality of what is taking place, and I agree with you. We have to start making some changes and sacrifice some of the programs.

But the question I had is why could we not have a B-1 armed with a stealthy cruise missile to carry out essentially the function of a B-2?

Mr. **Perle**. That is partly a technical question that I am not competent to respond to.

I think, Senator Cohen, at this point, having massively invested in the research and development of the B-2, having developed in the context of that, not only the aircraft, but industrial fabrication techniques of some considerable value, that going on and building perhaps a smaller number than was originally contemplated adds a whole new dimension at relatively modest additional cost.

Senator **Cohen**. So, in other words, we have got $25 billion in, so throw the other $35 billion in at this point?

Mr. **Perle**. Well, I do not know how many additional billions we should throw in, but I think to stop at this point and not build it—I do not think we need a large number, but then I have never thought we needed thousands of weapons within which to deter the Soviet Union. I think we can deter them with a more modest promise.

Senator **Cohen**. Dr. Warner, on page 4 of your testimony you have added a paragraph over what you presented to the Aspin Institute a few weeks ago.

At the Aspin Institute, I think you indicated we are looking at roughly a 20 percent lower Soviet force level. And then today you added that perhaps we are closer to a 10 percent reduction because of the increase in artillery. Is that because things have changed since the time you visited the Soviet Union in August with Chairman Les Aspin's group and things that have been reported since that time?

Dr. **Warner**. It is really the same mystery that we encountered, Senator, when we were on that trip. Mr. Karber and I had the opportunity to travel in East Germany, and to visit some Soviet units, and to hold extensive discussions with the Soviet General Staff in Moscow.

Soviet military officials made clear that they were pulling out tanks and increasing infantry fighting vehicles. They had varying stories. One Soviet four-star general claimed that they are not increasing artillery. Others said that they were.

My understanding today is that there is some evidence that the Soviets may, in fact, be continuing an up-gunning of their divisions deployed in Eastern Europe that was going on prior to the initiation of the unilateral cuts. And that is why we have this doubt. In any case, the decrease in Soviet capability to the Gorbachev unilateral cuts is being overwhelmed by the reduction in the Eastern European contribution to the Pact's military potential.

Senator **Cohen**. But the point is that if things are changing rapidly, they can shift backwards as well as shift forward. And in that context, for example, we have been told through press accounts recently that the Soviets had discontinued construction of their large aircraft carrier. And we recently were told that that has been resumed. And it raises the question I think that Richard Perle was at least talking about in the conceptual sense.

What is the conceptual point behind the Soviet's strong modernization of their strategic systems?

If the point was to have a stalemate or face-off against the United States because of a potential conflict in Europe, and if that risk of confrontation has now diminished severely, then where are the anticipated risks to come in the future?

Obviously, it would have to be in areas such as the Persian Gulf, the Far East, and various other regions of the world, and that would require force projection on their part. And so the question then becomes, why would they want to continue to deploy an aircraft carrier at this point if in fact there was a serious reduction in the scope of their activities?

And perhaps, Mr. Perle, Dr. Warner or Dr. Karber, you would want to comment on that.

Mr. **Perle**. Senator, I think we ought to be very careful about jumping too quickly to conclusions. There are contradictory signs and there are contradictory trends, and it is by no means clear that there is a settled policy.

We began hearing, for example, about the transition to a defensive strategy long before anybody was able to give any substance to what began as a rather hollow promise.

I do not think we know now what it is going to look like in the future, but can I add one cautionary note? It is not inconceivable that we could reduce the defense capacities of Western Europe so improvidently that the Soviet reductions in Eastern Europe would lead to a balance less favorable than the balance we had when we thought things were pretty bad at the height of the cold war. And I hope that we are careful and deliberate.

But as you look at the euphoria sweeping Europe, and West Germany in particular, it is not out of the question that we will snatch defeat from the jaws of victory and disarm so fast that they will actually improve their position at their lower level of effort.

Senator **Cohen**. I think you made this statement, and I will try to paraphrase, that the East Europeans are going to throw the illegitimate Soviet occupiers out, whether we have arms control or not. And that poses another question, and this will be my final point, Mr. Chairman.

What do we do about the prospects of a unified Germany? Dr. Karber, you said that the hearts have already unified, the wallets have been unified, all that remains is the political unification.

If the Soviets are going to be thrown out of East Germany, what does that do with respect to a United States presence in NATO? Can Gorbachev accept a United States presence in a unified Germany?

Mr. **Karber**. I think Richard was speaking euphemistically and not literally. I do not think the East Germans or anybody else are going to throw the Soviet Union out of East Germany if the Soviets do not want to go.

If there is one place that they will fight to stay if they decide it is in their interest to stay, it is going to be East Germany. And all the riots to the contrary, they will stay.

Senator **Cohen**. The gentleman to your left is shaking his head and disagreeing with you.

Mr. **Karber**. Well, in terms of East Germany, historically they will kill and die for that area if they decide it is in their interest to stay.

I think they themselves have given strong hints that they are willing to pull out of Hungary and Czechoslovakia. They may be willing to pull out of East Germany and Poland. But my point is nobody is throwing them out.

That is one area that they are going to walk out of with their guidon flag in all its honor, for what good it does.

But I think there is a critical strategic difference between those two sets of East European nations, and we ought to be real clear that there is that difference in the Soviet mind.

I think there are several ways to encourage them to get out. One is, if Eastern Europe has a stable process of democratization, the Soviets themselves are going to feel increasingly isolated, particularly as Eastern Europe opens to western markets.

As popular regimes are elected, the Soviets are going to feel and look like occupiers, and I think that will be a significant encouragement.

As the trend starts, first Hungary, then Czechoslovakia, that will also build up a certain momentum of its own, not unlike what we saw this last year, a momentum for the idea that it is time to go home.

Gorbachev himself has said that he would like to withdraw all Soviet forces from outside the Soviet Union by the end of the 1990s. There are a lot of people in the West who scoffed at it and said we have heard this all before. I personally believe him. And I think they are willing to do that withdrawal.

I think the best and fastest way to get that underway is through negotiation.

The negotiated approach or mutual build-downs on each side does raise the issue of quid pro quo. That is, the Soviets say they will pull out of Eastern Europe if we you will pull out of Western Europe.

Now that does raise a couple of problems for us. Because if we say no, citing over-arching interests and proclaiming our defensive posture in contrast to their offensive stance, then they stay in some parts of Eastern Europe. Our presence in Western Europe will then be seen, in part, legitimizing their presence in Eastern Europe. That is not going to be a very popular position, at least in some quarters.

There is a second critical issue, and that is they are a lot closer than we are if they ever decide to come back. There is this geographic asymmetry, if you will.

There is also the small question of NATO's nuclear weapons—or not so small. Of those NATO nuclear weapons, 90-some percent of them are in the custody of American servicemen in Europe today, sitting on the warheads with the keys or the codes.

So, again, the ripple effect of how we would pull out is very significant. My own view is that I think the Soviets in a way raised an issue during the last year when they were talking about having superpower presence in Europe in non-combatant forces.

That is, you would leave stocked equipment under joint verification regimes, and command and control logistics elements, but the rest would be withdrawn to the homelands of the two superpowers.

I think that offers probably the most stable set of potential conditions one could get.

Mr. PERLE. May I comment on that? I think that is rubbish.

Senator COHEN. Well, since you put it that way, I think you probably have to. [Laughter.]

Chairman NUNN. Senator Cohen, they are using up your second round.

Senator COHEN. That is my second round; go ahead.

Mr. PERLE. It has always been our position that we are in Europe so long as we are welcome in Europe. The Soviets can't make that claim, and they will be shown the door summarily in every country in Eastern Europe, in my view.

We should not relinquish a position in Western Europe that our European allies desire us to maintain, in exchange for the Soviets being essentially pushed out because they are unwelcome, because they are an occupation force. The two are entirely different, and I think it is profoundly mistaken to suggest any equivalence.

Chairman NUNN. Thank you. Senator Kennedy.

Senator KENNEDY. Thank you, Mr. Chairman.

Just quickly on this point. Are we, under a CFE treaty, therefore setting a floor for the Soviets, committing them in terms of Eastern Europe?

Dr. WARNER. I do not think we are setting a floor, but it allows me to make a point that I wanted to make on the question of adjusting treaty positions. The one that jumps out at you, even most obviously in the wake of the events of the last few months, is the superpower ceiling for stationed forces, which means, in fact, U.S.

forces deployed in Western Europe and Soviet forces in Eastern Europe.

I believe that ceiling, which Mr. Bush proposed to NATO in May, and NATO proposed to the Pact in July, a ceiling of 275,000 troops on both sides, down 30,000 from the current U.S. number, is today, too high. This ceiling should be factored down, perhaps to 225,000 or 200,000 right now. At that point there other dynamics will remain. I do not think, particularly if Gorbachev stays in power, given all of the other aspects of his policy, that even if he has an "authorization" for 200,000 troops via CFE, that it will assist him in limiting Soviet force withdrawals during the negotiations with the, soon to be, freely elected governments in Eastern Europe.

So I do not think a new, lower superpower stationed forces ceiling will serve as an absolute floor for Soviet troop presence in Eastern Europe. I think that particular ceiling should, in fact, be lowered.

Mr. **Perle**. If we are not careful, Senator Kennedy, it can be taken as an implied floor, and an implied legitimization of Soviet forces remaining in Eastern Europe. I think we ought not to do that. I take it that is the sense of your question?

Senator **Kennedy**. Let me just go into another area, and this is on the sea-based tactical nuclear weapons. Your reactions to Admiral Crowe and Paul Nitze that we really should be more creative in terms of our willingness to begin some serious negotiations on the tactical nuclear weapons at sea, could I get some kind of reaction, starting with Mr. Perle?

Mr. **Perle**. Senator, I have watched this position evolve, including at Reykjavik, where the Soviets spent the better part of the night talking about it. I do not think this is a serious issue for them.

I think the Soviets are aware that we have built the U.S. Navy with a multi-purpose launcher that launches nuclear as well as non-nuclear weapons. They understand that banning nuclear weapons would be unverifiable, and banning all sea-based weapons would be unduly dangerous.

As I look at their situation, I think we can afford to insist on retaining weapons at sea, offering, as we have done, to tell them what number are nuclear. And ultimately they will accept that position. I think they are just trying to disrupt U.S. naval operations, basically.

Senator **Kennedy**. Mr. Karber.

Mr. **Karber**. Senator, if I could, I would like to get back to your point about CFE, just so that you have an alternative, if slightly different, perspective.

I do not think there is anything in CFE that provides any legitimacy or floor for Soviet forces in Eastern Europe. What there is in the first stage of CFE is a ceiling on stationed forces that are allowed to be outside of their own country. And it hurts the Soviets far more than everybody else in the West put together.

And the best way to be more expansive in terms of constraints which push the Soviets further or completely out of Eastern Europe, is to have a fast CFE agreement and go right into the next step.

The longer we sit here and kibitz and complain that it does not go far enough, I think, works against what is really the potential. And I guess Richard and I just fundamentally disagree.

I do not think the Soviets are going to leave, at least a critical part of Eastern Europe, without East-West negotiations. And the best way to do that is the CFE negotiating framework.

Senator KENNEDY. Dr. Warner, could I come back just on the sea-based technical weapons? Would a ban on tactical weapons basically help or hinder American maritime supremacy? Do you have a view?

Dr. WARNER. The ban on tactical weapons, meaning ASW and antiaircraft nuclear weapons, I think most certainly would not hinder the United States. The U.S. Navy is moving very smartly in that direction unilaterally under its own momentum. Those really are not the issue.

The issue seems to be—the two that I would cite would be one, nuclear-tipped, sea-launched cruise missiles, the Tomahawk for land attack armed with nuclear weapons; and two carrier-based air weapons, bombs and the like. They represent an intermediate category. Obviously no one is seriously trying to get rid of the strategic nuclear forces on the quiet submarines.

So I think getting rid of the tactical ones, on the whole, is a good idea for both navies. But I guess I would also agree with Richard that there will be serious problems of verification. We have found time and time again that verification onboard ships is inherently difficult, and letting Soviet inspectors on our attack submarines, with their quiet characteristics, is something that we really find unacceptable.

So if we, in fact, move in that direction, probably the best we are going to have, and this seems to be what the Soviets are willing to accept with regard to sea-launched nuclear armed cruise missiles, is some sort of politically binding declarations about the elimination of tactical nuclear weapons at sea.

Now, politically binding declarations for the United States, given the openness of our system, are probably pretty substantial things. Politically binding declarations for the Soviet Union, even in the era of glasnost, one would have great difficulty saying that that was a highly verifiable limit.

But since we do not really need those systems, in my view, in either navy, a move toward their elimination would I think, be in our mutual interest.

Senator KENNEDY [presiding]. My time is up. Senator Gorton.

Senator GORTON. Mr. Perle, I found your initial paragraphs to, if anything, be unduly modest. It must be difficult, after close to two decades as the "Prince of Darkness," to have seen almost every idea you espoused, sometimes in such unpopular fashion, so magnificently justified.

It is most generous of you to give such broad credit to the triumph of those ideas. I simply want to say that the American people owe you a debt of gratitude which will obviously never be discharged for the part you have played in bringing us to the point and the wonder of these past couple of months.

Mr. PERLE. Thank you very much. You are very kind to say that, Senator.

Senator **Lott**. You ought to frame that statement.

Senator **Gorton**. I also must say, as a footnote, that your prescription, your immediate prescription for at least the strategic deterrent seems to be 100 percent correct, I suppose primarily because I have reached exactly the same conclusions on my own.

But I would like to spend my short time here, because it seems to me that your views have been so justified, by asking you to expand on your own vision and ideas of what has taken place in the Soviet Union and what is likely to take place.

All three of the witnesses, and I suspect everyone here, is certainly concerned about that possibly reversal in the Soviet Union, about the problem of succession, and what the nature of that succession will be.

From my own perspective, a year ago I felt there was at least a 50-50 chance of a reversal. I cannot see much more than a 10 percent, or a smaller chance of a reversal now. I can see a successor.

But you pointed out that the Soviet Union is certainly using 20 percent of its GNP on defense now, and perhaps 30 percent. It seems pretty clear that it is that investment, that competition, which has broken its back.

What do you see? Is the continuation of many of its weapons systems simply sand in the gears, where you cannot change everything as rapidly as possible? Is it possible, in your view, for a total reversal in the Soviet Union to take place? For a new, repressive, hard line government to take over and have any possibility even of a short-term success, with the very challenges which have so dramatically broken it already?

Mr. **Perle**. Well, we both understand, Senator, how speculative this is. I think the likelihood that the Soviet Union could, by continuing a massive and ultimately self-defeating investment in defense on the scale of the past, the likelihood that they could, by that device, achieve a capability to attack and destroy the United States, or launch the major invasion of Europe, is, I think, extremely low—the likelihood is low provided we do not disarm totally, as we did after World War I and World War II.

I think the magnitude of their task is a function, in part, of what we do. We talk very confidently now about how long it would take the Soviets to mobilize their forces for an attack in Europe, but that assumes a certain force posture on the Western side which defines their mobilization requirement.

It is not, as I suggested, beyond imagining that we would so reduce Western forces that the mobilization requirements would be sharply diminished, and we have to be very careful about the euphoria in that regard.

The reason why I think the Soviets cannot go on acquiring military power sufficient to intimidate the United States and its European allies is that you cannot have technical development of the kind that is now necessary in a closed society. It just does not work.

Scientists have to be able to talk, they have to be able to travel, they have to be able to communicate, they have to be creative, they have to be inspired, you have to have a work force that is productive, and the Soviets have managed to build a system in which none of that is true.

As they try to change, to make themselves more competitive, they will discover that they cannot carry opinion in favor of massive military spending that is so depleting their economy. So they are impaled on the horns of a dilemma. If they are going to be productive and modern they have to liberalize, and if they liberalize they cannot sustain the levels of defense investment that it would take to turn those productive energies into a truly intimidating capability, so I think time is very much on our side.

This does not mean that the world is free of risk. For example, you could get a situation in which the current turmoil and instability in the Soviet Union led to a change in leadership, with people arguing that under Gorbachev the empire is falling apart, not only outside the Soviet borders but within them, whether it is Lithuania, Azerbaijan, or what have you.

So you could get a succession under those circumstances and a new leadership which, while it would not have the capacity to restart the Soviet military engine in an effective way, could nevertheless do a great deal of damage as, for example, in the Persian Gulf. And with all due respect to Phil Karber's observation that the Soviets are having trouble getting into Azerbaijan, there is a big difference between putting down the kind of insurrection that you have going on among your own people, which is not an easy thing to do, and seizing the oil fields of the upper gulf, which would be child's play for the Soviet military.

So this is not going to be a risk-free world, especially if there is a change of leadership and a kind of last-gasp aggressiveness. The last refuge of kings is war, and the kings are falling all over Europe now, so this is a potentially dangerous period. I hope I did not give the sense to Senator Warner that I think we ought to be slap-dash about the way we cut the Defense budget.

I think the levels proposed by the administration are about right, and I really meant to comment principally on how to shape those reductions for the future.

Senator GORTON. Thank you. My time expired after one question, but I am pleased with the answer. It is what I was seeking.

Senator WIRTH [presiding]. Mr. Perle, in your testimony you said there was more to the world than Europe. I would like to get the three of you to address this point.

You say that as one looks to the Pacific there are few signs of a diminution of Soviet military power. I would like your thoughts on what you see them doing and what steps we ought to be taking in order to encourage a diminution of Soviet power.

I say this against a background of having just come back from a series of discussions with people from Shevardnadze and Karpov, to Rogachev and Akhromeyev—every one of whom, when the northeast Asia button was pushed, reacted very strongly, and reacted with deep concern about naval arms control. It was the first item that every one of them brought up, and each of them also said that they wanted some kind of forum to start talking about our mutual security interests, that we are nowhere in terms of the kind of discussion that ought to be held.

So I ask the question against the background of this being what appeared to me to be a very hot issue, and that they were looking to us to perhaps take some steps that might help.

Mr. **Perle**. Well, I do not think they face a threat in the Pacific. The naval forces of the United States are hardly in a position to attack the Soviet Union in the Pacific or anywhere else, so to create the sense that we are somehow provoking them to a military buildup in the Pacific I think is really quite wrong.

The Japanese are not about to attack the Soviet Union. The Chinese are very weak, as was indicated in Vietnam not so long ago. They are no match for the Soviets. I think the most useful thing we can do, Senator Wirth, is keep reminding the Soviet Union that their hopes for the future are being prejudiced by their massive military investment and that is incentive enough for a reduction in military forces that are contributing nothing to their well-being.

Senator **Wirth**. Why are they not, then reducing forces?

Mr. **Perle**. This is a society that has become accustomed to the belief that military power in and of itself is a useful thing.

Senator **Wirth**. But that is in conflict with what they are doing in Central Europe, or presumably.

Mr. **Perle**. I think in Central and Eastern Europe they are facing some harsh realities. They will eventually face the harsh reality of their levels of defense investment as they affect their forces in the Pacific, too.

But they have not done that yet, which is why Gorbachev can talk about a defense budget that is drastically lower than we know the Soviet defense budget is, and talk about a 9 percent reduction against a budget that is probably a third of—the budget figure he gives is probably a third of the real figure.

They have not yet come to terms, in my view, with the devastating effect of 20 percent plus military investment on their economy, and when they do, they will have to turn to the Pacific as well as Europe.

Dr. **Warner**. Let me say that under the Gorbachev program they are making reductions in Asia. They have withdrawn the majority of their forces from Mongolia. They are in the process of demobilizing 12 divisions facing China, according to their announcements. I cannot speak for the intelligence community regarding the validity of these claims, but they announced these cuts last spring.

Moreover, they have apparently entered recently into force reduction negotiations, as we discussed a little earlier, with the Chinese that may have a far-reaching character. I hasten, however, to in fact support Richard's view that we do not know much about these talks yet, being aware at this point only literally that they have just gotten started.

With regard to naval arms control, there are a combination of genuine concerns and Soviet attempts to gain advantage, and there is considerable high politics here in the Soviet emphasis in this area. For instance, in Europe, on the confidence and security-building measures, it seems to be perfectly legitimate for the Soviets to say that provisions for notification and observation of naval activities should be part of the current CSBM follow-on negotiations in Vienna and that we should end up with such provisions in the next agreement on European CSBMs.

In my view those restraints would not, in fact, harm in any serious way the American capability to honor its commitments to NATO. If we can permit observation and announcement of ground force and associated air exercises, and we provide advance notification of such naval exercises via notice to mariners and the like, in any case, I think this is an area where there is a legitimate confluence of U.S. and Soviet interests. Moreover I believe these same kinds of advance notifications and provisions for observation are potentially applicable for U.S. naval exercises in the Pacific as well.

If the Soviets go on trying to gain agreement on naval arms control measures that would hamstring our ability to conduct overall naval presence and to carry out naval exercises in key areas, then we should, in fact, as we have been doing, continue to refuse to agree to such measures.

But the idea that naval arms control, other than including submarine-launched missiles in SALT and START, is some kind of a "slippery slope" that if you do any you are doomed to do all, I think is incorrect and represents a short-sighted policy.

We should be able to find those kinds of limits on naval arms and activities, particularly in the confidence and security-building measures area, both in Europe and in Asia, that are in our mutual interests and do not undercut U.S. current or projected military strategy and military presence in those areas.

Senator **Wirth**. Let me say also that, as I talk to a variety of people in the Pacific, the perception is that while there have been reductions on the Soviet border with the Chinese, there have also been some significant upgradings on the Korean peninsular: the introduction of MIG-29s for the North Koreans, the moving of a helicopter regiment from Afghanistan, the upgrading of four divisions. There is a perception that the situation in northeast Asia has not changed, and that troubles people.

Dr. **Warner**. Well, it is a very mixed picture. I mean, in the Korean peninsula it is true that they began to supply MiG-29s. It represents a very different generation of aircraft than the earlier ones available. We should at least note that we have been providing F-16s and are also seeking to find our way to a deal where the South Koreans will build their own modern fighter aircraft.

It is a mixed picture, and we are going to have to wait and see how it sorts out. We should not equate our presence and their presence in Asia—they are different; they reflect different things—much as I completely agree we should not equate U.S. and Soviet military presences in Europe.

To use a moment to segue to that issue, I very much echo Richard's earlier point. Forces which are deployed on the territory of another country at the request of a freely elected government are very different and should not be equated with the forces that are still there as a residual effect of occupation that dates back to the end of World War II.

Dr. **Warner**. Mr. Karber.

Mr. **Karber**. I think both Ted and Richard have summed up the situation in the Far East. As Ted says, it is mixed. I would just add what has not yet been mentioned.

I think there has been a marginal drop in Soviet Pacific Fleet support ships, but not much change in heavy combatants.

Mr. **Karber**. It is interesting that the Soviets have also been for the first time inviting western observers—press and others—to visit units on everything from Sakhalin to air bases in the Far East, and that is a level of openness that we have never seen. It is a fraction of what we would like to see, but I think there is some movement there.

I would not be surprised to see the biggest movement be political and not military, and that is, the Soviets be willing to open a dialogue with the Japanese on the Kuriles. That is sort of the last issue, in terms of Soviet-Japanese relations taking a decided turn for warmth, so that would be one I might look for.

But just to make my earlier point clear on the presence of superpower troops in Europe my argument is not moral equivalence of American troops versus Soviets in Europe or anywhere else. I think the issue of our presence, the size of our presence, is not going to be unrelated to the size of the Soviet presence in trying to get them out of where they decide they really want to stay, or where they feel it is important.

I think that is going to be a process of negotiation and we cannot depend on East European freedom fighters to do what we are unwilling to do in tough negotiations.

I think there is also an issue that as the threat is perceived to go down, there is going to be pressure here and in Europe to bring our forces down and out. There already is substantial pressure in some of those freely-elected democracies, about the size and level of U.S. forces and what they do in terms of training and activity from Iceland to Germany.

So without granting a moral point to the other side, I think we need to start realizing that the likelihood of a substantially reduced American presence in a period where we have pressure trying to get the Soviets out of Eastern Europe is going to be very high.

Senator WIRTH. Thank you.

Chairman NUNN [presiding]. Thank you. Senator Coats is next.

Senator COATS. Some have suggested that the difficulty the Soviets have in reducing both production and reducing the number of troops deployed and those actively serving is as much a matter of economic policy as it is of military strategy, that any society that has a quarter or a fifth of its GNP based on military production and military troops has a terrible time cutting back and reabsorbing those into the private sector.

That is as much a part of the reason for difficulties in reductions as anything else, and it is not strategy or intentions, it is economic reality.

I would like the opinion of all three of you on that question and follow it up with your assessment of what you think the Soviet military posture would look like 5 years from now given that possible reality and given what their military or strategic intentions might be. Maybe we could just start there, Dr. Warner, and go down the line.

Dr. WARNER. There has been a lively public debate in the Soviet Union that Mr. Gorbachev has sponsored and participated in about its future defense posture in a way we have never seen before. It has also legitimated the participation of civilian specialists on these matters who before were, at most, sideline observers and now are beginning to play more substantially as advisers to Gorbachev and others.

On the question of the defense burden it amounts to 15 or 20 percent of GNP, I think. But I will also echo Richard's comment that the real burden is much higher. We have had the Soviets tell us that because so many scarce resources—are involved—the best manpower, the best machine tools, the best factory capacity had been devoted to the military—there are serious opportunity costs.

So, I think the pressure on Gorbachev or even his successor to try to relieve that burden will remain overwhelming. Now, a more conservative group might try to minimize defense reductions while the more radical reformers would want to accelerate them. The radical reformers have talked about a Soviet armed force cut back to 2 to 2½ million men by the end of this decade, down from 5 million troops just a year ago.

There is a very lively and heated debate in Moscow about the character of the armed forces. Today the Soviets have a professional military officer corps, a small NCO cadre and an enlisted force composed primarily of conscripts who serve for 2 and, in the case of the navy, 3 years.

There is an argument that this force ought to be transformed into a fully professional armed force as it is reduced in size. There have been detailed discussions on this suggestion in which both military officers and civilians have participated. If Gorbachev stays in power or people of a similar persuasion are in charge, they have every intention of cutting the Soviet armed forces very drastically. They intend not only to withdraw from Eastern Europe, but also to restructure and reduce all of their force elements over the next several years.

If there is a conservative successor regime in Moscow, in my view, it will not have the option of increasing the size of the Soviet armed forces. Its main choices would be a slower pace of reduction or possibly holding the line in force size, although, holding the line at the current numbers in light of the fundamental financial difficulties they face would be tough.

A final point on manpower. Much of Soviet military manpower is composed of conscripts. The way that they reduce is just not to draft as many. They got to the point during the Afghanistan war where they were drafting much of the available cohort of 18-year-olds—including students who were no longer deferred from service. They have restored student deferments in higher educational institutions, and they may well go to a volunteer force or a very limited draft.

So, there will be no need to "reabsorb" these 18- and 19-year-olds. There will be no diversion of them into the military for a 2- or 3-year period at the end of their teens in the first place.

Mr. Perle. It is a lot easier, Senator, to reduce the size of the armed forces than it is to transform capital in productive capacities from military to civilian use, although that can be done and one hopes it will be done.

As things now stand the most advanced and productive part of the Soviet economy—speaking technically now and in terms of manufacturing capacities—is in the military sector. But it is difficult to make that transition, and I think they are already beginning to discover it.

There are extraordinary things going on. I think we all saw in the papers the last couple of days the refusal—well, the outrage of parents of young conscripts at the idea that their sons would be sent to Azerbaijan to put down an insurrection there to the point where they had to abandon the use of conscripts for that purpose.

So, when you talk about the situation 5 years from now, I am mindful of an extraordinary event unprecedented in recent history. I think as you get some political liberalization—and there has been some—the sentiments of people who are very much like our people begin to have a bearing on the matter. And mothers who do not want their kids to go to Azerbaijan begin to have an effect.

I would hope that we would do more to publish the facts about the military burden on the Soviet economy so that the Soviet people would begin to put pressure on their own government to reduce that military spending. We make the mistake, in my view, of continuing to underestimate Soviet military spending thereby denying the opponents of military spending in the Soviet Union the evidence they need to mobilize within Soviet political institutions.

Dr. **WARNER**. One factual point. What happened down in the southern part of Russia is that the Soviet Government sought to mobilize recently released conscripts, who are a part of the mobilization base to fill out their lower readiness divisions to participate in peacekeeping operations in Azerbaijan. Their mothers marched and within hours, as shown on the single major Soviet news program, one of the top figures in the Ministry of Defense announced that the government was no longer trying to raise these forces to send them to Azerbaijan. This incident did not involve conscripts who were on active duty in the army. It involved former conscripts who had returned to civilian life and entered the military reserve who were not anxious to reenter the army to go and occupy Azerbaijan.

Mr. **KARBER**. I would echo their comments and just give a short anecdote. When we were on a trip and happened to be in Kiev, I was sitting in a restaurant, watching the street, and just waiting for the rest of our party for an hour or so. I noticed all of these drab vehicles. It was the main drag of Kiev. So, with nothing else better to do, I just sort of kept score of how many civilian cars and how many military vehicles went by within that hour while I drank my tea. It was 7 percent of the vehicles, and I want to make that a statistically significant argument.

What was interesting is the realization when one drives around the Soviet Union of the enormous amount of what is there is painted olive green. The infrastructure is really quite incredible.

The second comment, again an anecdote, this time from a Soviet. They made a big effort this last year to take their tanks and create, at a lot of expense—it cost them more than half the price of originally building the tanks—to build a road construction/disaster relief vehicle based on a tank vehicle, so it cost them 50 percent more to make this "civilianized" vehicle.

One of them was complaining to me. He said, "You know, we built several hundreds of these, but none of the republics and none of the fire stations would buy them because there were no resources there left to buy them with."

So, again, I echo Richard's point about the difficulty. Even when they try to "civilianize" it, there is either no resources or no compelling demand.

I think, though, at a strategic level they have not given up the idea of fielding or trying to field a qualitative force. General Lobov, Chief of Staff of the Warsaw Pact, looked us in the eye and said, "We are not going to stop competing qualitatively."

I think what they have decided is they are not going to try to compete in the quantitative sense that they used to because they were afraid that if they did, they were going to bankrupt their society or even worse, put their military in an uncompetitive position for the long term. So, at least from the military's perspective, their use of resources is to try to stay competitive in the qualitative sense.

My own personal view is that over the next couple of years this approach is going to probably get them down to about half the divisions they have, but they will probably be better equipped, somewhat better trained, if they hold the country together.

Senator COATS. Thank you. Thank you, Mr. Chairman.

Senator EXON [presiding]. Thank you, Senator Coats.

Gentlemen, I apologize for having to leave, but I am back now. I was able to hear the first witnesses before I necessarily had to go over to the House side, and I read your very fine presentation, Mr. Perle, while I was waiting my round of questions.

From the information that we had yesterday both in closed and in open session and the excellent testimony that we have today, I think that we should clearly understand that the Soviets obviously are making significant rollbacks actually and suggested more in the conventional forces.

The information that we had yesterday and from what I have heard here today indicates very clearly that the Soviet Union is not other than tentatively agreeing to start making serious cuts in their nuclear deterrent. To the contrary, as you have testified here today and in testimony yesterday, they are modernizing two of their land-based silo ICBMs. They are continuing, if anything, going fast forward further with the SS-24s and the SS-25s and have made significant strides in the last year, not only on some of their bombers, but from a deterrent standpoint.

Equally serious is their improvement in their submarines, especially their Delta submarine. It seems to me, then—I would ask is it safe to say that thus far the important strides toward lessening the tensions has gone admirably well, but it does not seem to be going nearly as well as one would like to see it in their nuclear deterrent.

Is it possible that the Soviets, given their economic constraints, are simply saying that we feel we can have a deterrent by continuing to modernize our nuclear weapons while scaling back our conventional weapons? Is it fair to say, then, that so far this has been a rather dramatic scale back in conventional weapons and not nuclear?

Mr. PERLE. Well, Senator Exon, I would be careful about the word dramatic even on the conventional forces. The statements have been rather more dramatic so far than the actual movements.

Senator EXON. Well, they have pulled them back at least.

Mr. PERLE. I think the debate that went on a few years ago between Ogarkhov and others over modernization (modernizing a smaller versus maintaining a much larger and inevitably less modern force) has been won by Ogarkhov, and that is what we now see, a consolidation. But, as it is diminishing, the threat—and in particular as the loss of east European forces—is diminishing the threat—that is a very welcome development and goes much further in assisting us than the changes in their strategic forces.

They continue to invest massively in strategic forces, and we must not forget that in the euphoria.

Senator LOTT. Would you yield, Senator?

Senator EXON. Yes.

Senator LOTT. I was talking earlier this week to Mr. Karber about this specific question. We were looking, I guess, specifically at the conventional reductions and what has actually happened.

You were going to prepare a list of things where they have made some reductions, although I did not think they were that impressive, and I think the Senator from Nebraska and I would like to hear about that list or see that list.

Mr. KARBER. Actually, Senator, with your question in mind I distributed with my copy of the testimony a sort of thick little package behind it, but I will quickly mention that it is mixed. It is in some places pros and some places cons.

Senator LOTT. It is in here?

Mr. KARBER. Yes.

Senator EXON. It is already a matter of record with the testimony that you submitted.

Mr. KARBER. Yes, but let me hit the significant ones because I had a reputation of being a pretty brash hawk when the Soviets were modernizing their tank fleet in Eastern Europe a couple of years ago. I came before this committee and said I considered it destabilizing. If the Soviets had added six divisions and 5,000 tanks to Central Europe over a 2-year period, I would have been up here screaming bloody murder saying that it is militarily significant, decisive change in the military posture in Central Europe. But they turned around and cut six divisions and 5,000 tanks, and about well over half of the tanks now we can establish have come out of operational combatant units, and I think it would be disingenuous to say that what was once significant on the upswing is not now militarily significant on the downswing.

Senator EXON. Well, then, would you answer my question, Mr. Karber. Are you saying, then, that you believe they have made a significant reduction in the conventional forces but not in the strategic forces?

Mr. KARBER. What Gorbachev did was announce a specific program for conventional reductions. It was not as deep as we would have hoped. It was not as significant, and it does not, in my view, lessen at all the pressure for getting a negotiated agreement. It will not solve the military problem of Soviet presence and too many Soviet forces in Eastern Europe.

But he announced a program, they are about half-way through with it. There are many places that I would point to and probably wring my hands more than Ted. But nonetheless what is empirically observable has been significant.

They have not made a similar statement nor implemented a plan with their strategic forces. Now, before one goes too far with that, I am not sure what their motivation is in terms of strategic forces. They did not have the margin of superiority in strategic assets that they did in conventional, even though, in a number of areas, they had quantitative advantages in strategic forces.

Second, maintaining strategic forces at their current proportion of their total force posture was not costing them as much as the size of keeping up a large manned army. Now, that does not mean that they are not going to face economic pressures on strategic forces.

Since we have been disagreeing all morning, I will disagree with one other observation Richard made earlier about strategic forces. He said he did not think the Soviets valued the Midgetman and MX. I think they do. I think that is why they placed an early and very heavy investment and repeated investment with a number of notable failures, an extremely expensive program trying to get to a mobile system, going back well over a generation. And I think that is the reason they are fielding SS–24s and SS–25s, because they do, in fact, value most mobile land-based ICBMs, not just for a strategic first strike, but because they have a number of advantages in terms of security, surety, commitability and cross-targeting.

Senator EXON. All of which can be summed up by the term deterrence. It is a significant deterrent.

Mr. KARBER. Sure, it is a significant deterrent. I guess there is also another rationale at play on their side. I remember when the House committee was meeting with the Soviet arms control delegates, and somebody asked what their response would be if we offered our Midgetman in exchange for their SS–25? Chervov looked across the table at the American member of Congress and said, "You have got to be kidding. We are not going to give away something that we have built for something that you have not decided to build yet."

So, because there is a history of long and arduous negotiations in the strategic arena, the philosophy Senator Warner was expressing earlier—let us not give up our bargaining chip unilaterally—is pertinent. I think that is likely to be more the attitude inside the Soviet Union for strategic forces than in the conventional, where the cost and the advantage they had was so readily apparent.

Senator EXON. Dr. Warner.

Dr. WARNER. A quick comment. I very much agree with Phil that one of the main differences is the difference in the balance in these areas. The Soviets view the strategic nuclear balance as roughly equal. One could argue back and forth whether you count weapons or megatonnage or throw weight. But when all is taken into consideration, in my view, U.S. and Soviet strategic nuclear forces have been in a position of rough parity for a long time, and the Soviets recognize it as such.

There has been a very lively debate in the Soviet Union on how strategic forces should be reduced. One faction is arguing for unilateral cuts in strategic nuclear forces. One adventurous academic went so far to propose that the Soviets cut down to 500 strategic weapons total, no matter what the Americans do.

Now, this guy got hammered in the press by the Soviet military and many other Soviet observers. The general consensus among the Soviets, both the specialist elite on these matters and the political and military leadership, is that reductions in strategic nuclear forces should be done reciprocally via arms control and that parity should be maintained.

We have suspected that Gorbachev might make a bold move in the area of unilateral cuts in strategic nuclear forces. He has not done so yet. He does appear, with START now seemingly on the horizon, to want to reduce his forces.

This is a tough issue because even after Soviet strategic attack forces are reduced, they will be survivable, lethal, effective; and both sides will have the capability to blow the other one to kingdom come, even under the worst case of having been subjected to a surprise first strike.

I think it was most noteworthy what Richard noted. And I think it shows that there is a consensus throughout the Soviet leadership that emerged sometime in the late 1970s that it is no longer worth while for the Soviets to try to go after a serious war-winning capability against the U.S. and NATO with nuclear weapons.

One final point. The Soviets still have, nevertheless, operational, plans for using their strategic nuclear forces should war come. So do we. So, neither side is out from under the very significant threat that these capabilities provide. But there is Soviet interest at the higher levels of the Soviet system in further expanding its strategic arsenal or in pursuing superiority either for political purposes or in hopes of gaining the capability to attain a "plausible theory of victory" in nuclear war.

Senator Exon. Thank you.

A last question, then, and I hope you can give a short answer to it—each of you. There are people in the United States today who are suggesting what I think is unilateral disarmament in certain areas. And I emphasize once again; I appreciate your answers, but they echo what we heard yesterday, that they are not making cuts now until treaties are assigned in their nuclear arsenal.

Given that, do any of you believe that we should make the unilateral move now for scrapping the B-2? Given the upcoming talks, given the hopes of more treaties in this area, do you think it is either wise from a deterrence standpoint? Is it wise from an arms control negotiating standpoint? Is it wise militarily at this time? Before we have given the B-2 a chance to prove itself, do you think it is wise to scrap it, as some are now prominently suggesting in the United States?

Mr. Perle. Senator, I think it would unwise to scrap the B-2.

Dr. Warner. I also think it would be unwise. And I echo the idea that there is enough sunk cost and enough promise in the technology to warrant proceeding to acquire reasonable force structure of B-2s, which will almost certainly be smaller than the initial force objective that the Air Force had.

But proceeding to complete and field that system, which is suitable for both central, strategic warfare and for general purpose uses, would in my view, be a wise use of that investment.

Senator EXON. Do you concur, Mr. Karber?

Mr. KARBER. In terms of priorities, I personally would put up Midgetman first.

Senator LOTT. What do you mean put it first?

Senator EXON. Mr. Karber, I hear that time and time again, Mr. Karber. You would put up a Midgetman before B-2?

Mr. KARBER. I mean I would abandon a commitment to Midgetman before a B-2.

Senator EXON. Wait, say that again. You would what?

Mr. KARBER. Systems that would be low on my priority list or highest on my hit list would probably be Midgetman first, but the B-2 would not be far behind in any kind of deployable force area.

I agree with everything that Ted and Richard have said in terms of pursuing the state of that technology. But when one looks at the price per copy, and there is an enormous sunk cost that we might as well build some number of to go out, and if nothing else, experiment with them and build some mock-ups and play show games or something.

But the high cost of that for a very large force structure would, depending on budget pressure, would put it closer to the ax than would be some other systems that are very heavily already endowed.

Senator EXON. So, I guess what you are saying, if I can understand you, is the B-2 is here. At least we are going to know in the next year whether it will do, what it is supposed to do. The Midgetman, if we start on it today, is 8 to 10 years off.

I do not quite understand that trade-off.

Mr. KARBER. Well, the force structure of a B-2, that is, a B-2 fleet that would actually be out there in the numbers originally talked about is also a substantial number of years off.

Chairman NUNN [presiding]. Excuse me, Senator Exon, let me go to Senator Lott, and then we will come back to another round if we need to.

Senator LOTT. Thank you very much, Mr. Chairman. I will try to be brief, and I will try to get brief answers.

Mr. Karber, continuing the questions on the conventional side, you indicate there has been some withdrawal by the Soviet Union. Then you say there was considerable ambiguity with regard to the net effect. And then you say that by December 31, 1990, the second phase is scheduled to have been completed, and that will be the time for us to assess what they have actually done.

Well, you know, we are going to be faced with a lot of decisions before then. And that is what these hearings are for. We are trying to assess the threat, assess what is happening and start making some decisions. How do we deal with that? Are you saying we should not really start moving forward maybe with some changes in priorities and reductions until we reach 1990, December 1990?

Mr. KARBER. Let me explain. This could sound disingenuous or like I am trying to evade—trying to have it both ways. But let me explain what is really driving the issue. What you have going on in the Eastern Europe today is the largest movement of units and redeployment of assets that we have seen in the last 40 years. Every Eastern European army is cutting, Soviet units are reorganizing and withdrawing and regarrisoning. And we have watched the same tank regiment, you know, for 30 years, the same Kaserne.

Every Saturday morning they line their tanks up for inspection; every Wednesday they went into the woods and did their training. But they are not in that Kaserne anymore. Now, we can verify that some number of tanks have actually gone, and then the net number is about 2,800 lower. It may be even somewhat more. But with this movement around, there is a lot of ambiguity.

A number us asked the Soviets to try to be even more specific, so that we could have some kind of road map in order to praise them for their withdrawals. But my point is, just in Eastern Europe, where things are easier to track than in the interior of the Soviet Union in terms of conventional forces being moved around, there is some very strong evidence that Soviet forces have withdrawn.

To give you a sense of it in Eastern Europe——

Senator LOTT. Sir, let me just stop you right there, because I want to ask you several questions. We keep talking about tanks and tank numbers. Are they, you know, scuttling, old, you know, steel hulks and replacing them with more sophisticated tanks? I mean, you get fewer tanks, but you have actually got better capability. What have you done?

Mr. KARBER. Let us use a specific example, if I could. Let us take the Soviet group of forces in East Germany. They had about 7,500 main battle tanks prior to Gorbachev's U.N. speech. Based on what he has said, they will pull out about 3,000 of that 7,500. That is almost a 50 percent cut in their number of tanks against our most vulnerable sector. That, if it comes to fruition, in my——

Dr. WARNER. But what quality are those, Phil?

Mr. KARBER. I am coming to that. That, in my view, in just a numeric sense was significant. Now, that tank fleet was very modern. It consisted of T-80s, T-64Bs, T-64As and T-72Ms. Each of these tanks had a 125-millimeter, high-velocity gun. Each of them had modern protective armor and automated fire control. Some might be close to an M-1, some variants around 20 percent below. But they were all modern tank designs that we considered a threat.

I appeared before various committees talking about the need to have a new anti-armor program and spend more money. I counted those tanks, I pointed them out, and I argued that they were a threat. The 1,800 tanks that the Soviets have pulled out of East Germany already, the net withdrawal, have been T-64As and some T-64Bs. That is the oldest of the tanks. But that was a reasonably modern and threatening tank. It is not as good as a T-80, but it was not an old clunker. It was not a tank sitting in a shed somewhere that never got used, that was in a reserve depot or on a monument somewhere. It was taken out of an operational unit.

Senator LOTT. Thank you very much.

You talked, Mr. Karber, in your outline here about how the armies of Eastern Europe are rapidly declining as an offensive threat to NATO.

Dr. Warner, I think we are jumping into a lot of conclusions here that may not happen. The question to you is, do you think—I mean, it has been suggested that Soviet forces garrisoned in

Czechoslovakia, Hungary, Poland could be asked to leave or will leave. I guess the question is, in the short term, do you think that the 40,000 or whatever it was—Soviet forces that we have in Poland, 80,000 in Czechoslovakia, and 65,000 in Hungary, are they going to leave?

Dr. WARNER. Yes, sir.

Senator LOTT. They will leave?

Dr. WARNER. I do believe the schedule appears as follows, Senator. The Czechoslovaks have already begun the talks. The Soviets have been there through one round. The Soviets have agreed in principle to withdraw all 5 divisions but not to the timetable, so we should be clear on that.

But the Czechoslovaks appear determined to get half of the Soviet forces out of Czechoslovakia by June and all of them by the end of this year.

Senator LOTT. How about Poland?

Dr. WARNER. In Poland, there are only two divisions in contrast to five in Czechoslovakia and four in Hungary. Walesa has recently said that he would like to see the complete removal of these forces from Poland. I think with Polish concerns about the eventual future of Germany that we are likely to see at least one of the two Soviet divisions stay.

Senator LOTT. That brings me to my main question here. What about the Soviet lines of communication and resupply? When you look at the map, you know, how are they going to deal with that Poland land mass between them and East Germany? That is going to get to be pretty ticklish, is it not?

Mr. KARBER. That is why I said I do not think the Soviets will pull out of Poland until they pull out of East Germany. I do not believe they are going to leave five combined armed armies sitting forward with no protected umbilical cord back to the Soviet Union.

Dr. WARNER. Poland is right on the Soviet frontier. The Soviet ability to reenter Poland, should they choose to, is much stronger and much easier than for either Czechoslovakia or East Germany.

Senator LOTT. Thank you. My time is expired, but I want to ask you one more question to you, Mr. Karber.

You talk in your paper about how we have to develop the best-case scenario or contingency. I guess we have always kind of worked on the assumption of the worst case. I think we still have to do that.

I guess what I want to ask you, as briefly as you can, what do we do with it? Assume we have a 5-year plan, we have a best case contingency, everything is wonderful, it is euphoric and, you know, they are imploding. But how do we know that is going to happen? What do we do with this best-case scenario?

Mr. KARBER. I did that, really, from my experience as being strategy advisor to the Secretary of Defense and the Chairman of the JCS in the early 1980s. One observation I had when I got to see how strategy was made is that we had the worst case strategy because we had no strategy at all. We did not sit down and really look at what our expectations were. I never found a worst case scenario driving our national strategy. There was basically a set of perceived threats, and there was a set of compromises made about what we thought we could afford against those threats. I never saw our military driven by the absolute worst case.

The reason I stress the best case is as we go right now, there is a tendency to focus on whether or not the threat is or isn't going away and should we hang the future of the B-2 or the MX on perceived threat or whether the Soviets are in Sakhalin or not.

I do not honestly think that you can or ought to make those kinds of strategic investment decisions on the play of headlines in newspapers.

You notice I did not say "a best case". I said "an alternative best case". What I would suggest there is to look out into the future 5, 6 or 7 years. Let us assume that peace comes to stay. Let us assume that Gorbachev stays, we have arms control in the strategic, chemical and conventional arenas. What would we really want our American force posture to look like as a stable deterrent, as an enforcement of those arms control regimes, and as a stabilizing factor in the world?

I would argue that that is not likely to be the forces that we would get by merely having the budget follow the threat perception down. My argument is if we sat down and really thought about what our needs might be and laid out a mental design of it as we then adjust those budgets, then we could at least be going off in a direction.

Right now we have a military posture that was designed against, if not the worst case, a bad case in East-West competition. What I am suggesting is without endangering our current security if events continue to move in a positive way, we ought to ask ourselves where and how should we redesign that force. It is a unique opportunity to create a more effective and a more efficient force.

My fear is if we do not do that, we are going to end up paying a lot more and actually get a lot less.

Chairman NUNN. Thank you, Senator Lott. Senator Wirth.

Senator WIRTH. Thank you, Mr. Chairman.

Dr. Warner, earlier you described the Soviet professor who had suggested a dramatic cut in nuclear warheads down to 100 or 200. Mr. Perle earlier said that we had to go beyond the START cuts too, I am not sure you used the word "radical" but very sharp strategic reductions.

Is that right, Mr. Perle?

Mr. PERLE. [Nodded in the affirmative.]

Senator WIRTH. What is the level, in your opinion, that the Soviet professor and Mr. Perle agree upon? What should we be targeting? Are we talking about minimal deterrence of some kind? Where should we be headed?

Dr. WARNER. Senator, let me say a little bit about what the Soviets had said on that and then add my opinion, too.

A Soviet committee of scientists on these matters prepared a study in 1987. They said that there should be jointly managed U.S.-Soviet strategic arms control reductions down to a level of around 600 weapons on each side at the end of a long process. The dissenter who came in a couple years later in the summer of 1989 said he would pull Soviet strategic nuclear attack forces down to 500 weapons and do it unilaterally.

My own feeling is that both superpowers should be reducing very dramatically over what I think will be an extended period—over a decade or so at least, and that we should eventually come down to a level between 1,000 and 2,000 total weapons on each side.

What would these weapons be targeted on? Inherently, the capabilities of these modern weapons are such that in a sense you will hold at risk, that is you will have the ability to destroy almost anything, whether it is a fixed, hardened command post or a silo or any kind of soft military, economic or political target.

So I think in the future we might very well head through START I, START II, maybe even START III in this case down a real ceiling of 1,000 to 2,000 highly survivable yet diverse, effective weapons.

Senator **WIRTH**. Mr. Perle.

Mr. **PERLE**. Senator, I am delighted to learn that the Soviets have flaky scientists just as we have flaky scientists. It must go with democratization.

I do not see any point at all in attempting to reduce nuclear forces to a level so low that a little bit of cheating or a miscalculation or a technical failure would create horrendous instability.

The point of reducing numbers is to reduce cost if it can be done and to enhance stability, and I do not think we enhance stability by going down to extremely low levels. So I do not anticipate extremely low levels.

On the other hand, the levels we are now talking about on the order of 9,000 or 10,000 weapons overall seem to me unnecessarily high. We did not think it was necessary to have that number in the 1960s when there was reasonable stability, and I do not think it is going to be necessary in the 1990s.

So somewhere between these exaggerated and, I think, quite dangerous minimal levels to which scientists seem drawn and the current levels, there is lots of room. I would think we could for a start go back to the original levels that were proposed by Ronald Reagan to Leonid Brezhnev; and while bomber weapons account for a fair number above the ballistic missiles warheads proposed, then that is in part because of air defenses, and maybe we should bring air defenses into the equation and reduce the bomber weapons as well.

Senator **WIRTH**. In your testimony you were very critical of Midgetman. If, in fact, an argument could be made that if we are looking for greater stability, having a variety of single warhead missiles is where we ought to be. If we got rid of the Midgetman, aren't we driving ourselves toward a rail mobile MX and doing just the opposite of the stability that many suggest we ought to have?

Mr. **PERLE**. I would not be prepared to pay a lot of money for mobility, because I think the balance is robust enough, and there are other ways to achieve stability, more important ways which also require money. So I would not make a very sizable investment in Midgetman in order to get mobility, not least of all because I think that the contribution of Midgetman to stability is with respect to an attack scenario that I think is pretty implausible.

Senator **WIRTH**. What would you do with Minuteman?

Mr. **PERLE**. I would keep Minuteman. If you are talking about withdrawal of some Minuteman IIs, I do not think that makes an enormous difference one way or the other.

I base my view on the unlikelihood of a massive Soviet attack involving the detonation of thousands of nuclear weapons on our territory. That has always been the theoretical attack that has defined the concepts of stability that we have operated on a for a long time.

I think Soviet attitudes toward the use of nuclear weapons have changed. I think the political climate is changing, and I am less concerned about that strike out of the blue with massive numbers of nuclear weapons. If you come to that conclusion, then it seems to me it flows logically that you would not want to make the very sizable investment required in Midgetman.

As for mobile MX, it is a much smaller investment, but I think the politics of it are such that you could probably not proceed with mobile MX if you discontinued Midgetman. So my view is let us discontinue them both. There are better uses for that money.

Chairman NUNN. Would you yield just a second, Senator Wirth?

Senator WIRTH. Yes.

Chairman NUNN. I must say that this is interesting. I do not know whether I would have ever anticipated, Richard, that you would be here saying we should base our nuclear posture and our weapons systems on Soviet intentions rather than Soviet capabilities, but that is what you are saying.

Mr. PERLE. Not exactly. The reason why it is "not exactly" is there is a difference, I think, between intentions and attitudes toward the weapons which give rise to plans to targeting doctrines, to targeting capacities and the like.

In the 1970s and early 1980s we saw the Soviets building weapons that could be best understood as first strike weapons. We also saw the Soviets almost cavalier about nuclear weapons in describing them very much as one would describe nonnuclear weapons.

I think that attitude now has begun to change. I would not want to see us exposed to plausible Soviet threats. If I could put it this way, I would not give up mobility if I thought land-based mobility were essential to a second strike capability, but I do not believe it is. We have other forces, both air-based forces and sea-based forces, that I think are sufficient to discourage the Soviets from the kind of massive attack on our land-based forces that it would take——

Chairman NUNN. Well, that pretty well does away with the need for any SDI except for accident or unauthorized launch, does it not?

Mr. PERLE. It is also a hedge against future change because an SDI that was not——

Chairman NUNN. So is another missile.

Mr. PERLE. Yes, but I think at the end of the day when we invest in mobile missiles, we are really investing mostly in defense, if I can put it that way, because the difference between the cost of a fixed missile and the cost of a mobile missile can be attributed to defense, making that missile survivable.

I think the same money put into active defenses will give us a greater return for several reasons. One is the multiple uses of active defense. The other is that active defense gives you some defense not only of missiles but manned facilities and——

Chairman NUNN. What are you going to protect with your active defense, though? You have already identified away the problem of protecting your land-based missiles, and your air-based systems can escape most situations. Your sea-based are survivable. So what are you protecting with your partial deployment of SDI? I do not understand it.

Mr. PERLE. I think in saying that I have already explained away the land-based missiles, that goes too far. The Soviets could attack the fixed land-based missiles, and they could destroy a sizable number of them. There is no question about that. That forces them to a level of attack from which I think they cannot hope to escape retaliation by other elements of our Triad as well as the surviving land-based missiles. They will not get all of them.

I am concerned about smaller attacks that do not entail the level of destruction against us that would be certain to trigger the retaliatory strike.

Chairman NUNN. You are really talking about unauthorized launch or some type of accidental launch or some kind of Third World situation, are you not?

Mr. PERLE. Well, certainly——

Chairman NUNN. You cannot conceive of a situation where the Soviets figure out, well, we can hit America with 50 bombs or missiles and we do not think they will retaliate on that, but if we go to 75 they will? As a matter of intention, I find that less plausible than a massive all-out attack.

Mr. PERLE. But as between some thousands of targets, if they attack weapons directly and attacks, for example, on the command structure, there is a lot to be said for having a limited capability to defend against a small attack that is aimed only at the command structure, only at the ability to communicate. That has always been, as you know, an Achilles heel and at the moment——

Chairman NUNN. As a prelude to something else, though, just to go in and knock out the command structure, per se, I have never heard that one postured.

Mr. PERLE. Well, if you can knock out the command structure you can do quite a lot to prevent the use of the weapons that are commanded by that structure.

Chairman NUNN. There are a lot of ways to make command structures survivable short of deploying an SDI system——

Mr. PERLE. Yes, although——

Chairman NUNN. We do it to a great extent already.

Mr. PERLE. A limited SDI could serve a number of purposes, some of which you have endorsed ourself.

Chairman NUNN. I am just trying to distinguish what you want to protect that I do not. What is the difference in what you are proposing and basically an accidental or unauthorized launch or a very thin Third World type attack? I see nothing beyond that that holds up logically based on your suggestion that mobility and missiles are not important because a massive attack is not——

Mr. PERLE. It is not unimportant. I just do not want to pay the price. If we could have it for free, it would be fine.

Chairman NUNN. Dr. Warner, do you want to get into this?

Dr. WARNER. As I said earlier, if you talk about limited land-based ABM systems, which I believe is what you have talked of in the past, Senator, there is an argument to be had and an analysis to be done. There is, I guess, both an argument and an analysis on this one, too, but I am at a loss to understand what is a "thin," Brilliant Pebbles-type ballistic missile defense.

In other words, Brilliant Pebbles, to be useful, has to provide a certain number of interceptors in view of the Soviet ICBM fields all of the time. In order to keep them in view, it means that you have deployed several hundreds if not thousands of these things. And then you are on this edge of a large-scale ABM deployment for substantial nationwide defense. The Soviets have said very clearly, as we used to say, that any prospect of achiving strategic arms reductions is posited on maintaining the prohibition on the deployment of territorial-wide defenses of a substantial character contained in the ABM Treaty.

I do not know how you can erect a space-based defense that does not provide as substantial nationwide coverage and thus violates the ABM Treaty.

Chairman Nunn. More basic than that, I do not know why you need to go to anything like Brilliant Pebbles to do what Richard seems to be wanting to do for protection. You have got technology that we have had for 10 years that could carry out those partial roles that you have described so far.

Mr. Perle. I did not argue for proceeding to deploy Brilliant Pebbles. I thought I was very careful in suggesting that the experimental results with those technologies are very promising, and I think we ought to keep up the R&D program.

I cannot tell you what we are going to need in the future, but I think there is an historical arrogance almost in the notion that we are going to get deeply into the next century without strategic defenses.

I can imagine there would be people who argue, well, indeed, at The Hague conference in 1899 they firmly resolved to prohibit the dropping of weapons from dirigibles. The notion that we have seen that we are going to accept permanent vulnerability to attack by ballistic missiles is——

Chairman Nunn. But you just did that when you said you did not have any reason for mobility. And you just said you did not envision any possibility of a major attack.

I understand your arguments in the past, but what is new this morning, in your basic argument, you seem to have had all the assumptions that I think almost do away with any kind of case for an SDI system beyond what I have described. And that is an accidental or unauthorized launch or a Third World very limited attack. The new dimension is your assumptions.

Mr. Perle. Or assuring that even a Soviet attack would be bound to fail because a fraction of the targets would survive.

Chairman Nunn. But then you are trying to protect missiles?

Mr. Perle. Yes, of course, absolutely.

Chairman Nunn. But then you get down to the question of whether it is cheaper to protect them or make them mobile, so that they cannot hit them to begin with. And that is a good analysis. But that is what I have been arguing for about 5 or 6 years, why do we not do that kind of analysis?

But SDI never comes close enough to having an architect, so you can never measure it. It is just always there. Somebody has got it out in the parking lot somewhere and we are going to deploy it. But nobody knows what it is and nobody knows what it costs.

Mr. PERLE. But that is not what I mean.

Chairman NUNN. And now we have a situation where very few people around here know what it is we are trying to protect with it. That is what I am trying to get to. But we are going to have other hearings on this subject and we will have you come back.

Mr. PERLE. I am not arguing for something in the parking lot. I am arguing for a concept of strategic defense that would lead you to move aggressively with the technology without making a deployment decision.

Chairman NUNN. You are arguing for a robust R&D program really?

Mr. PERLE. Yes.

Chairman NUNN. I do not have any quarrel with that.

Mr. PERLE. If you have an effective Midgetman and it is absolutely effective, that really works as it is supposed to work, the most you have succeeded in doing is saving that Midgetman missile or whatever number of them you deploy.

If you have a more generic defense, that is, an active defense but a limited one, it covers this multitude of purposes including accident and miscalculation, Third World countries, command and control facilities, and so forth.

Chairman NUNN. I agree up to that point.

Mr. PERLE. As you do the costing, you have got to take account of those multiple purposes.

Chairman NUNN. But what you have also done, if you have a Midgetman and the other side has one too, is you have greatly changed the threat, and you have greatly changed the incentives for anyone to ever strike first, even in a crisis situation.

And you have also greatly changed the assets, and this is something never talked about, but I do not conceive of a world where our military will not feel an almost irresistible compulsion to find MIRV missiles with something, whether it is the B-2, or if it will not be the B-2, it will be the B-3. And then we will be finding it with something else.

So when you have got all those MIRV systems out there, there is going to be somebody hunting them. And the amount of money it is going to cost to deploy a single warhead missile, if you assume the Soviets are going to do the same thing, versus what it is going to cost to hunt MIRVs for the next 30 or 40 years, is something that does not go into the equation at all, but I think it has to.

Mr. PERLE. But I will bet the same people that hunt MIRVs hunt single warhead missiles.

Chairman NUNN. Well, they will have a harder case to make. You are right, the urge will be there to hunt anything. But I think there will be a much harder case to make that you have got to go out and find every one of those.

And as you have pointed out many times, when something is a grave threat, then the verification becomes much more important down to the 99th percentile than it does when something is much less of a threat.

So you get into the whole verification.

Senator Wirth, I have preempted you.

Senator **Wirth**. That is quite all right. I just want to thank everyone for coming.

Dr. **Warner**. I just have one comment on de-MIRVing, Senator. There is a lot of interest in de-MIRVing.

First of all, most people are not interested in taking MIRVed missiles out of submarines. Because otherwise, you have got to pay a lot of money for the submarine and you only carry 16 or 20 weapons.

So the idea that the submarines are likely to continue to carry MIRVed missiles, with four to eight warheads, I think, is probably going to be with us, given current investments and strategic logic.

On land, de-MIRVing the fixed, land-based force has some appeal. But if you analyze what is likely to occur on the two sides in the wake of a START agreement as it is currently outlined, the Soviets are likely to have about 200 MIRV missiles in silos carrying 2,000 warheads, and we are likely to have about 1,400 warheads, if the MX stays in silos, on around 350 MIRVed ICBMs in silos.

Both sides will have in excess of 2,000 highly accurate weapons to kill those silos. In other words, it is 2,000 highly accurate RVs pitted against 200 to 350 silos. The search to attain survivability in fixed silos is just a loser. The only way to do it is to go to multiple shelter systems, which appear quite politically discredited in the wake of the whole MX business, to put it mildly.

So getting all ICBMs MIRVed or unMIRVed out of silos, in the longer run, is probably a good idea.

Now, the next argument is about the mobile ICBMs, and this gets right to the question is anyone willing to pay the money? The Soviets have already paid the money. I mean they are already midstream in deployments of both a rail system, the SS–24, and a small road-mobile Midgetman with the SS–25—not quite as small, as the Midgetman but a single RV system nevertheless.

We are in our usual state of confusion and deadlock on the mobile ICBM problem. But still, in the future, if you have mobile systems facing mobile systems, then the price to attack would be high and the prospects of a successful attack would be low—without defenses. It would be virtually impossible under arms control regime to attack these mobile missiles effectively.

So I think if we had the chance to get through the politics of it, mobile ICBMs facing mobiles in relatively small numbers for the land-based component of our strategic force is exactly where we want to go.

The problem is one of gaining agreement for a ICBM—and given all of the impacted issues between Midgetman and MX rail garrison, as I said earlier, that will be very difficult. I guess I disagree with Senator Nunn in the sense that I think that the land-based mobiles with MIRVs, once deployed on the rails, are basically unattackable. And I do not think there are high prospects that either side will find chasing them down that productive.

Chairman **Nunn**. Of course, you just took one big gulp when you said once on rails. I guess you mean once out of the——

Dr. **Warner**. I understand.

Chairman **Nunn**. That is the big gulp. I mean once you get by that one, then a lot of things do not matter. You assume you are going to get enough warning time for that.

So that gets back to Richard's point about a massive "bolt out of the blue," that we are basically defining away, which you just did.

Dr. WARNER. I said I would prefer to field the Midgetman, if we could afford to pay the money. I most certainly agree that Midgetman offers you more resiliency and more capability because it is good in both "out of the blue" and generated, scenarios that is, in a war that comes after a period of crisis.

Chairman NUNN. Well, I do not think a "bolt out of the blue" is likely, but I think we would have to all think through it. But when I have to postulate which is the least likely, "bolt out of the blue," massive going after everything, thereby helping one country survive because of less retaliation, or a limited attack on command and control——

Dr. WARNER. That is not my theory.

Chairman NUNN [continuing]. Or what Richard posed a while ago, some kind of lay-down that would be less than robust on the theory that we would not retaliate. I mean if I have to look at which ones of those are more likely or unlikely, I would say that the "bolt out of the blue" is more likely than either one of the other two.

How do you view just those three?

Dr. WARNER. Lay down the other and view all of them.

Chairman NUNN. Can you visualize the Soviets deciding they can get away with hitting us with 75 weapons? Or can you visualize the Soviets——

Mr. PERLE. But that is not a correct characterization of what I said.

Chairman NUNN. But I am just taking it to its logical conclusions.

Dr. WARNER. Soviet opinion appears to have been consistent throughout the years that if you choose to employ nuclear weapons, go big time with massive strikes for maximum military and political effect. If you are going to cross that threshold, this is the ultimate hardball game and you do not go with "onesies" and "twosies" or "tensies." They have never had any truck whatsoever with the concept of highly limited nuclear strikes.

However, they also appear to believe that the most likely scenario out of which nuclear war might emerge is in fact out of a major conventional war.

Chairman NUNN. Sure.

Dr. WARNER. So that is the most important contingency. And under that contingency, an argument can surely be made that rail garrison systems might well be deployed.

Chairman NUNN. Let me shift gears here. I have to ask you all your expert views on two other questions that are unrelated.

Richard, you mentioned in your Heritage Foundation speech last month that it is time to contemplate larger cuts in U.S. conventional forces in Europe. My question is, did you have in mind under CFE or apart from CFE? Or did you have in mind altering the CFE negotiations now?

What exactly did you have in mind on that?

Mr. PERLE. I do not think it is critical whether it is within or outside of the CFE. Because I believe the pressure on the Soviets to withdraw from Eastern Europe is largely independent of CFE. And ironically, CFE may even provide a Soviet excuse for remaining there.

If you are trying to encourage those emerging governments in Eastern Europe to keep the pressure on the Soviets to withdraw completely, which of course is their preference, it must be pretty discouraging to have a Soviet official say, well, you know, we are negotiating this now, and the American position is not that we should withdraw entirely. They are perfectly happy to have us keep 275,000 or whatever the number is.

Chairman NUNN. Right. We tend to be legitimizing their presence.

Mr. PERLE. Even when we do not intend to. I understand that Phil does not intend to, but it is almost unavoidable. You know it is only a few days since that lecture, but even in those few days the situation has changed.

When I said I thought arms control was becoming less important, it was not to disparage arms reductions, which I think remain terribly important, but I think there is a political dynamism that is overtaking the formal negotiations now, at least in CFE.

And with respect to START, I think the dynamism is economic in origin. So I think we can afford to be relaxed about the conduct of the talks.

Chairman NUNN. Let me ask each one of you this question.

Do you believe it would be wise to contemplate a lower level in the CFE I now coming down, instead of 275,000, lower than that now? Or would you prefer to wait until CFE II on that?

Dr. WARNER. I really agree with both of you, Senator. If we perhaps did not have a superpower ceiling at all, in hindsight now, after the events of the fall, we would say we would probably be better off without it.

Since we have already proposed it, and I think backing away from it does not have—I mean we would just have to talk about that legitimizing function—I believe that we ought to adjust the superpower stationed forces ceiling down to 225,000 or 200,000 at this point.

Adjusting the overall weapons ceilings themselves, which are the heart of the major reductions for all 23 nations, that one is a tougher call. At this point, I think we probably should proceed with them as they are and move on into CFE II very promptly. But I would surely adjust the superpower stationed forces ceiling that is already on the table. By the way, I have some differences regarding the assumption that the East Europeans can get the Soviet troops out of Eastern Europe under all circumstances. I think the Eastern Europeans can get Gorbachev out, or Gorbachev-like leaders to pull them out. I think their ability to get a successor conservative regime to do so would inherently be more questionable. Even their own pushing for removal might change. The new East European leaders know who they are doing business with now. Gorbachev is the man who, from the Soviet standpoint, both encouraged and allowed these democratic revolutions to take place.

East European desires would be the same, but were they facing a much tougher conservative regime in Moscow, even they might have to settle for somewhat smaller and slower reductions.

So it is in the light of that uncertainty, even getting a lowered ceiling and getting the Soviets to reduce their troops in Eastern Europe from 600,000 or so, to 200,000, would represent an important accomplishment. Not a full exit, but it would mean getting the vast majority out.

Chairman NUNN. Phil, and then Richard on the same point.

Mr. KARBER. Mr. Chairman, you remember last spring that issue came up when I was testifying, and I made the unkind comment of calling it a stupid idea when one of my——

Chairman NUNN. It was not my idea at that time, so I did not take offense at it. [Laughter.]

Mr. KARBER. Yes, but some others did.

And the reason I was arguing against it was the context in which the proposal was made—i.e., taking CFE and just sort of going it one better. I think it really depends on the approach.

For example, CFE controls total armament categories. So whether a tank is in reserve, in an active unit or in a warehouse, it is counted as a tank under either side's allotment in CFE. So you push down to a 50 percent cut, for example, and you have cut the total amount of tanks or whatever assets are limited on the continent.

Chairman NUNN. But I am talking simply about manpower.

Mr. KARBER. I understand.

My point is I was fairly hostile to arguments about 50 percent.

Chairman NUNN. Right.

Mr. KARBER. I have learned the wisdom of an alternative way. I think there are approaches that could lead to substantial reductions in forces, even below 50 percent in U.S. forces.

The critical thing, as I said, is it depends not just on what the Soviets have immediately in theater, but how much stocks we are allowed to have in theater to come back and fall in on should it become necessary.

So I do not think manpower can or should be treated automatically by itself. It has to be looked at in terms of the assets that would be allowed.

The second issue is location. For example, if, as I think Ted would probably agree, it is most likely that Soviet forces in Hungary or Czechoslovakia are likely to come out than those in the DDR or Poland, or certainly sooner there than in the north, where one postures that manpower makes a big difference, as opposed to just evenly distributing it through the system.

If they're actually pulling out of Czechoslovakia and Hungary, one could tolerate deeper cuts on our side.

I don't like focusing on manpower by itself because of the inherent verification difficulties of it.

I would not go in and try to modify NATO's current CFE position.

Chairman NUNN. You'd keep it the way it is?

Mr. KARBER. What I'd do is try to get what we've proposed or even settle for a fraction of it. I mean, I'd be willing to drop issues.

I'd love to drop manpower out of the current one and just focus on the tanks, troop carriers, and artillery, and put back on the shelf the things that we used to sweeten it up, air and manpower, because those are the two issues that are postponing an agreement.

I would argue that we should try to get agreement on the systems that originally counted the most. The ones that originally counted were the ground threatening systems. I don't think they are as difficult as manpower and air, either in terms of definition or verification. Get an early agreement and then go to your second, third, and fourth phases.

Chairman NUNN. Okay. Richard.

Mr. PERLE. I think the President has this wrong in this sense of urgency that he has created. I would go for deeper cuts.

The notion that we should wrap up the talks now and then go immediately into a second set of talks just fails to comprehend the dynamics of these negotiations. You don't continue with momentum. You start all over again, and the sides go back and they develop new positions in the alliance negotiations.

Chairman NUNN. You don't have any more super power to super power manpower quotient, either. This is the go-around on that. The next time it's going to get much more complicated because you're going to have all the countries involved and everybody is going to want their cut.

Mr. PERLE. I think that's quite right. And I think the Soviets are anxious enough for an agreement so that it is foolish for us to be artificially even more anxious than they are. And if we were to sit back and say, "given all the changes that have taken place, what is our new optimum position?" I think we could put that to the Soviets with a reasonable prospect that we could get closer to it than we are going to be if we simply race to conclude the current agreement.

Chairman NUNN. Two other things that we are going to have to come to grips with before we sort out all of these longer-range thoughts that we're going to have to deal with, as you all have so well said this morning, are deep strike weapons, follow-on force doctrine, whether that doctrine, the weapons and the money that we're putting into it is something we need to take another look at now. By that I don't mean stop it because these things haven't come about. But should we be putting some kind of caution light on that effort.

The second question, and probably even more immediate, is the modernization of nuclear weapons.

I'd like to get all three of your views on the Lance missile. So those are two questions: follow-on forces, deep attack-type weapon systems, and should we be slowing those down; second, what about Lance?

Dr. WARNER. We do analyses, Senator, on potential war scenarios in Europe with much reduced force structures on both sides, although I admit that one has trouble viewing these cases as overly plausible at the moment. Nevertheless, at these reduced force levels, having good intelligence capability, that is good surveillance and assessment capability, enables one to locate where the main axes of attack are and to be able to respond to them quickly becomes even more critical. With further reductions, you can reach levels below the so-called "operational minimum" in force-to-space ratio, where you can erect a very comprehensive and cohesive forward defense and have adequate numbers of operational reserves to mount an effective forward defense.

You'd probably go instead to a modified forward defense and you have to be flexible and responsive.

So the front end of follow-on force attack, which is often ignored, is precisely these kinds of surveillance systems, the joint surveillance and target attack radar system (STARS), surveillance.

Those critical systems, I think, need to be continued. They are also an important part of our worldwide deterrent force for other contingencies.

The delivery of follow-on force attacks—interdiction, really, in the more classic sense, until even today, is done purely by aircraft. I think we will continue to need to field highly capable fighter bombers that can deliver weapons against mobile and stationary targets.

Finally, I surely cannot see anything wrong with getting weapons carrying smart submunitions that can, in fact, kill their targets, like armored vehicles and tanks more effectively.

So in my view, we will most certainly need to proceed, with the surveillance systems for multiple purposes and, with attack aircraft, particularly flexible multirole aircraft, with sufficient range and payload to do a variety of jobs, which will include follow-on force interdiction. And, finally, when we get to the target, it sure would help if the munitions we deliver had had promise of incapacitating enemy tanks, rather than simply bouncing off.

So I think follow-on force attack elements, from end to end, are still very much needed.

Chairman **Nunn**. Okay.

Let me get you on Lance now. Follow-on to Lance is what I'm talking about.

Dr. **Warner**. The Follow-on to Lance, from a theoretical standpoint, that is, for the purposes of maintaining diversity in a ground-based nuclear delivery systems, seems reasonable. The politics, however, particularly in Western Europe, regarding our ever being able to deploy a follow-on nuclear delivery missile are such that I think at this point such a deployment would be impossible. So I don't believe the Follow-on to Lance has a future today.

Chairman **Nunn**. Mr. Perle.

Mr. **Perle**. Well, I never thought it was as important as some people did. So I certainly wouldn't invest in a follow-on to Lance.

However, I would arrive at that conclusion in the context of an alliance-wide understanding, that we must maintain nuclear forces in Europe, because the Soviets have nuclear forces.

Chairman **Nunn**. Of some type.

Mr. **Perle**. Of some type.

Dr. **Warner**. I agree.

Mr. **Perle**. The air delivered weapons are important, and I happen to believe that the artillery has an important function, too.

Chairman **Nunn**. Even with the changes in Eastern Europe and the range of that being where they really wouldn't get beyond Eastern Europe?

Mr. **Perle**. Even with the change in range, because, in my view, you use them if you're forced into a situation where you're on the battlefield, wherever the battlefield may be.

Chairman **Nunn**. Phil.

Mr. **Karber**. Let me talk to Lance first.

First of all, politically, we've probably missed our window to effectively do anything. But I think it was a mistake. That is, we are left with a tactical nuclear balance in Central Europe which gives the Warsaw Pact an advantage of 5 to 1.

I don't like that size imbalance because, both with the new conventional weapons mounted on ballistic missiles or with lower yield weapons used for tactical effect, that large an imbalance does have a military significance to an operational campaign, particularly in the early hours of the campaign.

There is something funny going on. It's not that you ought to ask for hearings on it. I'll speak to it generically.

I think Senator Exon pointed out that the Soviets seem to be giving away a lot on conventional and basically holding their own on strategic. I think there is some considerable evidence, at least something that would warrant attention, of Soviet building of tactical, particularly artillery capable, nuclear warheads and delivery systems.

I don't want to be alarmist. Maybe I'm wrong. I think it is worth looking into.

But there are a number of things that they are doing in that area that are just rather strange, which does not track with the politics of denuclearization and so forth. I don't know what to make of it.

But it raises an interesting point.

Ten years ago, we had nuclear artillery deployed in the Central Region and they did not. Today they do. And they have more than we do today.

They have a bigger and more robust nuclear strike capability within and adjacent to the theater than we do today.

The idea that we all grew up with, that we had sort of a tactical nuclear advantage inherent in our force structure, I don't think is obvious anymore.

Now I don't necessarily draw the conclusion that Richard did, which is that we necessarily ought to build up. I don't think it's going to buy us, militarily, at least, the impact that we thought it would say 10 or 15 years ago.

Unfortunately, we haven't really given it a lot of attention.

Now, in terms of the follow-on forces issue, actually I think both the importance and the potential of those go up in a post-CFE environment. CFE reduces the number of Soviet ground force targets going over a given set of infrastructure, relative to our air, which is the one asset we can bring back into the theater fairly fast. In that perspective, CFE has increased the air potential against their ground systems over what it is today.

So, in an interesting way, the capability of deep strike actually goes up as conventional assets go down.

Now it is not necessarily stabilizing that the potential air contribution grows in proportion to the residual ground forces, because air can be employed at ranges such that it tends to lead to opportunities, or at least concerns, about preemptive strikes.

In terms of our force posture, that probably can be addressed because the majority of our strike assets would be back in CONUS; that is, they wouldn't be on a day-to-day generated posture, either in terms of threatening the other side or being vulnerable to their preemption.

It is a natural mechanism when we talk about burdensharing schemes with the allies that they do more of the ground defense and we do more of the air strike potential. The difficulty, however, is that to effectively use it as the other side is mobilizing and violating an agreement, you have to use it before he has brought in all of his forces.

So, there are some instabilities inherent in the air-ground post-CFE situation.

But on the bottom line I would agree with Ted. Deep attack systems are powerful in technological terms, and they will grow much more significant over the next decade. Whether we think we need them or not, we should not let ourselves get behind in the technology.

I think a good case can be made that it makes a relatively enhancing, semi-stabilizing arms control enforcement posture on our side that is also affordable. That is, it is a rapid deployable asset that can get to Europe in case the other side starts to cheat, that could be proportioned to the extent we saw him cheating. And that, in the long-term, probably would be worthwhile.

Chairman NUNN. Okay.

I really want to thank each one of you, Phil, Richard, and Ted, for appearing here this morning. You all have spent a lot of time, I am sure, in preparing your testimony. You obviously are experts in this area, and your testimony is very helpful.

So we thank you for being here and we hope to stay in touch with each of you as we go through this year of rather important and difficult decisions.

Before we close let me announce that in our hearing tomorrow morning, our witnesses will be four experienced and well respected European and Japanese security experts: Dr. Karl Kauser, Director of the Research Institute of the German Society for Foreign Affairs; Ambassador Francois De Rose, former French Permanent Representative to NATO; Mr. Malcolm MacIntosh, Senior Fellow at the International Institute for Strategic Studies; and Dr. Masishi Nishihara, Professor of International Relations at the National Defense Academy of Japan.

There are two changes to the notice that we have already put out. The hearing will be held in this room again, not in SR-222, and it will begin at 9:30, rather than at 9 o'clock.

Thank you all very much.

[Whereupon, at 12:40 p.m., the committee adjourned, to reconvene upon the call of the Chair.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

THURSDAY, JANUARY 25, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

ALLIED PERCEPTIONS OF THE SOVIET THREAT

The committee met, pursuant to notice, at 9:34 a.m., in room SH-216, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Dixon, Glenn, Wirth, Warner, McCain, Wallop, and Gorton.

Committee staff members present: Arnold L. Punaro, staff director and Richard D. DeBobes, counsel.

Professional staff members present: Robert G. Bell, Richard E. Combs, Jr., Richard D. Finn, Jr., John J. Hamre, David S. Lyles, T. Kirk McConnell, and Michael J. McCord.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel, Romie L. Brownlee, deputy staff director for the minority, Brian D. Dailey, Judith A. Freedman, George W. Lauffer, Ann Elise Sauer, professional staff members.

Staff assistants present: Lori M. Jackson, Claire M. Kelly, Kelli J. Pronovost, Debra A. Rice, and Mickie Jan Wise.

Committee members' assistants present: Andy Johnson, assistant to Senator Exon, Kenneth N. Luongo, assistant to Senator Levin, William J. Lynn, assistant to Senator Kennedy, Charles C. Smith, assistant to Senator Dixon, Phillip P. Upschulte and Milton D. Beach, assistants to Senator Glenn, Jefferson B. Seabright, assistant to Senator Wirth, Terrence M. Lynch, assistant to Senator Shelby, Melvin G. Dubee, assistant to Senator Byrd, James M. Bodner, assistant to Senator Cohen, Patrick F. McCartan, assistant to Senator Wilson, Anthony H. Cordesman, assistant to Senator McCain, Lee W. Whittaker, assistant to Senator Wallop, Robert M. Soofer, assistant to Senator Gorton, and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order. The committee meets this morning to continue a series of hearings on the implications of the recent dramatic changes in the Soviet Union and Eastern Europe for our national security policy, our military strategy and ultimately our defense budgets.

In our three hearings to date in this series the committee has received American perspectives on these changes with testimony from U.S. Government officials and private citizens. Today and tomorrow we will have the welcome opportunity to hear first hand some of the views of our allies.

This morning we are fortunate to have as our witnesses four highly respected European and Japanese experts on security and foreign policy issues:

Dr. Masashi Nishihara, Professor of International Relations at the National Defense Academy of Japan—we are delighted to have you this morning.

Dr. Karl Kaiser, Director, Research Institute of the German Society for Foreign Affairs in Bonn—Karl is a familiar face. We have had him visit with us on many occasions, and I know you have done a lot of schedule maneuvering to be able to get here today and we are deeply appreciative.

Ambassador Francois de Rose, former French Permanent Representative to NATO. We have known the Ambassador for many years, and he has been an outstanding leader. We welcome you, Mr. Ambassador.

Mr. Malcolm Mackintosh, also an individual that we have had the pleasure of visiting with over a long number of years, is an expert in foreign policy and a leader in his country. He is a senior fellow at the International Institute for Strategic Studies in London.

We are pleased to have all of you with us this morning and we appreciate your willingness to come so far to share your perspective on the critical issues we have before us.

Since Japan is the land of the rising sun, I suggest we start with Professor Nishihara, and then we will follow the sun over its track through Germany, France and Great Britain. So we will move in that order. Mr. Nishihara, Mr. Kaiser, Mr. de Rose and then Mr. Mackintosh. We will have questions for all of you after you get through your testimony.

I will also encourage you—I know some of you have written statements, some of you informal notes—that if you see particular points of importance in the testimony of the others that you either agree with or disagree with, we certainly would like to have that kind of dialogue, because we are in the formative stages of trying to make judgments about the threat that we face, the change in that threat, the strategy that should flow from that, and particularly what our allies are going to be thinking and doing is of enormous importance to us.

Senator Warner, do you have any opening comments?

Senator Warner. Thank you, Mr. Chairman. I join in welcoming this distinguished panel of visitors.

Informally the other day I asked a witness, would you have been able to predict, 6 months ago, the occurrences today? The witness replied, with humility, "No." Then I said well, why do you feel so sure you can predict 6 months ahead?

I think that is the dilemma we all face. Nevertheless, there is a burden upon the Congress of the United States—not a burden, but an obligation—to restructure our Armed Forces such that we can provide for our own defense and that of our allies in the years to come, and you gentlemen are very able to advise the Congress on that mission. Welcome.

Chairman NUNN. Thank you, Senator Warner.

Senator WARNER. I would ask the staff that my written statement be reproduced in the record. I would also like to submit the statement of Senator Strom Thurmond for the record.

Chairman NUNN. Without objection.

[The prepared statements of Senator Warner and Senator Thurmond follows:]

PREPARED STATEMENT BY SENATOR JOHN WARNER

Mr. Chairman, I join you in welcoming this distinguished group of panelists who come before the committee today to give us some insight into allied views on the momentous changes occurring in the Soviet bloc.

During the closing weeks of 1989, we witnessed truly remarkable developments throughout Eastern Europe—developments that were unimaginable several months ago. The Berlin Wall—a stark symbol of oppression—crumbled; dictators were overthrown from East Germany to Romania; the Communist Party lost its dominant role, and in some cases has been outlawed in many East European nations.

Our challenge in the months ahead is to assess the significance of these changes for Western security. We are living in a time of great change and great promise. However, it is also a time of uncertainty and instability. At this point, the only thing we know for sure is that the Soviet threat to Western interests in both Europe and the Pacific has changed. What we do not know is the nature of the new threat we will be facing.

There are many unanswered questions that must be addressed before fundamental changes should be made to the doctrine of peace through strength that has served us so well since the end of World War II. For example:

Will the changes in Eastern Europe lead to independent, democratic governments who seek their own path in defense and foreign policy; or rather, to slightly more diverse and efficient members of the Warsaw Pact, or some other military pact?

Will the current domestic unrest in Soviet Azerbaijan and the Baltic Republics result in limits on reform in the Soviet Union; or, perhaps, the downfall of Gorbachev?

Will the two Germanies succeed in some form of reunification? And what will a unified Germany mean for the future of NATO and the Warsaw Pact?

Will the announced Soviet reductions in forces in Asia lead to a true lessening of tensions in the Pacific?

In my opinion, we should proceed with caution and vigilance until we see more clearly which path the Soviet Union and its East European allies choose to follow.

Yesterday, we heard from a panel of American defense experts who each advised that we proceed with caution. However, caution is obviously a nebulous term having many different meanings, as at least one of these witnesses suggested that proceeding with caution includes the immediate, unilateral termination of some strategic modernization programs, with little or no regard to the status of those programs in the on-going START negotiations. This suggestion was made in the face of acknowledged Soviet modernization of its strategic arsenal.

I welcome this opportunity to meet with European and Asian analysts who can give us a variety of perspectives on the changing world scene. Tomorrow the committee will continue its strategy hearings by receiving testimony from a number of European Parliamentarians. I am sure that there are as many differing opinions on these developments overseas as there are here in the United States. I thank the chairman for providing the committee the opportunity to hear from our allied colleagues.

PREPARED STATEMENT BY SENATOR STROM THURMOND

Thank you Mr. Chairman: I join you in extending a warm welcome to our distinguished panel and thank them for testifying before this committee. During the past 2 days, the committee has been fortunate to hear from a distinguished group of experts on their perception of the changing Soviet threat. I am looking forward to today's testimony, since the members of this panel represent those regions of the world where the Soviet threat may have a more imminent impact.

Mr. Chairman, I want to compliment you and Senator Warner for the exceptional witnesses you have selected to appear before this committee. Over the past 2 days, we have received testimony representing part of the broad spectrum of opinions on the Soviet threat. Each of the witnesses has masterfully articulated the historical events that have occurred over the past year in Eastern Europe and in the Soviet Union.

The testimony we have heard to date leads me to conclude that, although the Soviets' conventional force levels in Eastern Europe have been reduced, they remain a formidable combat force. More important, however, is my sense from testimony that the Soviet strategic capability has not been reduced and may, in fact, have increased because of modernization and technological advances.

Based on the testimony we have received to date, I caution against the unilateral reductions in our Nation's defenses that some are advocating. We should all recall that, twice during this century the United States has succumbed to the euphoria of peace, each time only to face new threats for which we were not adequately prepared.

Mr. Chairman, we must learn from history. Now is not the time to make reductions in our Nation's forces or defense budget. I urge the committee to take a responsible, cautious approach. We must allow time for the situation in Eastern Europe and the Soviet Union to stabilize, and we must then rationally assess the impact on our national security of a "new" Europe. Only then should we consider revising our national strategy and restructuring our defense posture in accordance with what I hope will be a less threatening world situation.

We reached this point in history because of our strength. Let us not prematurely abandon our successful strategy.

Thank you, Mr. Chairman.

Chairman NUNN. Dr. Nishihara, I will ask you to lead off.

STATEMENT OF DR. MASASHI NISHIHARA, PROFESSOR OF INTERNATIONAL RELATIONS, NATIONAL DEFENSE ACADEMY OF JAPAN

Dr. NISHIHARA. Mr. Chairman, and also the distinguished members of the panel, I am greatly honored to be invited to testify before this committee. I wish to take this opportunity to present my personal views with regard to recent changes in the security environment of the Asia-Pacific region.

The year 1989 brought about such tremendous changes in East-West relations, we must look at global and regional security matters with a new vision.

The first point I wish to make here, however, is that while the cold war might be over in Europe, it is still evident in Asia. We see two products of the cold war firmly intact: a divided Korea and a divided China. There is little dialogue between the two superpowers about how they can resolve their confrontational force structures in that region.

We should not forget the fact that while there has been a cold war in Europe for the last 45 years, Asia has experienced several "hot" wars: the Korean war, the two Indochina wars, and the ongoing Cambodia war. Japanese-Soviet relations remain cool, if not confrontational, due to the territorial disputes which in part grew out of the cold war between the two superpowers.

As I look at the Soviet military capabilities for the Asia-Pacific region, there are two conflicting trends in terms of the quality of arms: their capabilities are increasing, but in terms of the economic foundations and budgetary constraints their capabilities are declining. Thus, on the whole, I perceive that Soviet military power poses less of a threat to Japan—and the region, I suppose—than it did before Gorbachev first started to apply new thinking to the Soviet Union's external relations.

First of all, it is true that despite their serious economic stagnancy, the Soviets continue to deploy new modern ships, aircraft and other weapons. As recently as 1988, they added three modern ships to the Pacific Fleet: a Delta-III-class nuclear-powered SLBM submarine, an Udaloy-class destroyer and Sovremennyy-class destroyer. It was also recently reported that SS–25 road-mobile missiles are being deployed to what were once SS–20 bases.

Top Soviet officials often remark that they have frozen or reduced the level of military deployment in the region. However, this has not been confirmed by other sources.

In May 1989, for instance, Moiseyev, chief of the general staff, remarked that between 1984 and 1989 the Soviets had either frozen or reduced the level of military power for the Soviet Asian region. He cited that no land-based nuclear arms had been deployed during this period, that no nuclear-capable aircraft had been added between 1986 and 1989, and that 57 naval ships had been reduced between 1984 and 1989. However, he has so far failed to reveal what type of ships these were, nor has he confirmed the qualitative improvement of its naval power.

In May last year, Gorbachev also announced in Beijing that by the end of 1991 he would take 120,000 men from the Far Eastern Military District and the Pacific Fleet, which would amount to the reduction of 12 army divisions, 11 air force regiments, and 16 ships.

It is difficult, however, at this moment, to assess the significance of these reductions without knowing just what kind of army equipment, aircraft and ships are to be withdrawn. One can argue that the Soviets are aiming at building a smaller but more efficient military.

The Soviet Government is keen on advocating that it has adopted a "defensive" military doctrine. However, as far as the Asia Pacific region is concerned, this change has not been so convincing. The Soviets continue to retain massive nuclear arsenals, attack fighters and modern cruisers and destroyers which retain surprise attack capabilities.

It is difficult for Moscow to explain their building three large-scale aircraft carriers, Tbilisi-class, by its defensive doctrine. One of those ships is supposed to be deployed in the Western Pacific in the future.

Despite Moscow's claims of having reduced its level of deployment and having changed their doctrine, there are also several convincing trends that point to a shift to a less threatening Soviet military.

First, on January 17 this year, Foreign Minister Shevardnadze announced that his government would soon withdraw all of its overseas forces from the Far East. Although he did not specify the date when such a withdrawal is to be completed, his announcement was in line with his government's earlier actions: the steady withdrawal of his troops from Mongolia and from Vietnam.

Second, the government budget deficit amounted to 9 percent of national income in 1988 and 15 percent in 1989, according to one source. Premier Ryzhkov stated in June last year that he wanted to cut the current ratio of defense cost to national income by one third to one half.

Another government plan is to transform 60 percent of arms industry to civilian industry. A deep defense cut and a large-scale demilitarization of industry would have a serious impact on arms production, certainly affecting the deployment level.

Third, media reports also indicate that the lowered social status of Soviet officers is impeding the recruitment of good cadets.

So these domestic constraints suggest that severe economic factors will eventually scale down Soviet military capabilities.

Although I perceive that the Soviet threat is declining today, there are still many other uncertain factors which adversely affect the security environment of the region, which may be categorized into three types.

One such type is the uncertain impact of new Soviet diplomatic and security postures on the regional security environment. For example, will Moscow's new approach to Seoul ease or increase tension in Seoul-Pyongyang relations as well as Washington-Seoul relations?

Gorbachev's visit to Beijing in May of last year certainly normalized Sino-Soviet relations, but it has also generated a new kind of impasse. That is, disagreements over political reforms in Communist countries. Deng Xiaoping reportedly blamed Gorbachev for allowing Ceausescu of Romania, as well as other East European Communist Governments, to fall. Kim Il Sung and Deng Xiaoping must fear "Romanianization" of their countries. Ethnic tensions in south and southwest Soviet Union may also cause border conflicts with China.

Another type of foreseeable security uncertainties in the region is related to political instability which may be caused by internal tensions. Such tensions may rise over political succession issues which are likely to occur in North Korea, China, Indonesia and the Philippines. In these countries, serious power struggles are foreseeable.

A third type of foreseeable security uncertainty is the possible development of nuclear weapons by North Korea and the steady buildup of the Chinese navy. These could cause a new tension between North and South Korea with important implications for Japanese and U.S. security positions.

One should also add the uncertainty of Gorbachev himself. It is difficult to know whether he can stay in power or stay on course for the policy initiatives he has set with such high speed.

It is due to these uncertain political and security conditions in the region that the U.S. presence continues to have a stabilizing influence over both Northeast and Southeast Asia. There is a strong expectation of a continuing U.S. presence on the part of many leaders in the region.

In fact, there is apprehension on the part of Asian allies of the United States about what I call the "permeation" or a "spillover effect" of the U.S.-Soviet detente into the region. As the Soviets implement their unilateral arms reductions—proposed mutual arms reductions—and offer some confidence-building measures, the United States may begin to respond to them positively without a clear concept of what kind of new security framework it wants to seek in that region.

U.S. studies of reducing its military presence in Japan, South Korea, the Philippines and the Pacific, as they are reported in the press, are therefore a new source of concern for the region, particularly the U.S. allies, when they do not know how far the U.S. reduction of forces will go, nor what kind of force structure the United States is going to introduce.

There are reports indicating that the Armed Forces of the United States and the Soviet Union are interested in promoting confidence-building measures for the Asia-Pacific region. For instance, there is a report that the U.S. Pacific Fleet will be sending a ship to Vladivostok this year. This is not a welcome move to Japan, which prefers joint steps to be taken in such cases.

For Japan, better CBM measures would be for the Soviets to reduce military flights around Japan, which amount to about over 800 times a year, and to increase the transparency of military information, such as its force structure in the Far East, not to mention the return of the disputed islands.

If and when the United States should reduce its military presence in Japan, Japan and the United States should have a common understanding of why such force reduction would not weaken their respective security positions.

Japan should continue to make steady efforts in strengthening the self-defense forces, particularly its capability to sustain combat, but at the same time the Japanese Government is aware that it would be difficult to seek a larger defense role to fill the void created by a U.S. force withdrawal because neither the Japanese public nor its Asian neighbors would support such an expanded role by Japan, nor am I sure whether the United States would like such a Japanese role.

The Soviets have already expressed their interest in discussing naval arms control for the Pacific with Japan. In the last few years Soviet leaders like Gorbachev and Akhromeyev have proposed several ideas about this.

The United States and Japan need to consult on this issue closely before they can take up this issue with the Soviet Union so that the Soviets will not take advantage of possible differences between Tokyo and Washington.

We need to redefine what our common objectives are and how we should approach them. In the Asia Pacific region where many uncertain security factors are evident, the stability and viability of Japanese-U.S. security relations serves as a key to the stability of the region.

The United States with the support of Asian and European allies should continue to play an effective role in maintaining the military balance and determining potential threats even after the U.S.-Soviet detente is attained in the region.

Thank you very much, Mr. Chairman.

[The prepared statement of Dr. Nishihara follows:]

PREPARED STATEMENT OF MASASHI NISHIHARA
PROFESSOR OF INTERNATIONAL RELATIONS
NATIONAL DEFENSE ACADEMY OF JAPAN

It is my greatest honor to be invited to testify before this distinguished Committee of the U.S. Senate. I wish to take this opportunity to present my personal views with regard to recent changes in the security environment of the Asia-Pacific region.

The Cold War Is Not Quite Over in Asia

The year 1989 brought about such tremendous changes in East-West relations that we must look at global and regional security matters with a new vision. The first point I wish to make here, however, is that while the Cold War might be over in Europe, it is still evident in Asia. We see two products of the Cold War firmly in tact: a divided Korea and a divided China. There is little dialogue between the two superpowers about how they can resolve their confrontational force structures. We should not forget the fact that while there has been a " Cold" War in Europe for the last forty-five years, Asia has experienced several "hot" wars: the Korean War, the two Indochina Wars, and the ongoing Cambodia War. Japanese-Soviet relations remain cool, if not confrontational, due to the territorial disputes, which in part grew out of the Cold War between the superpowers.

The Soviet Threat Declining in Asia: High-Quality Arms but Serious Constraints

As I look at the Soviet military capabilities for the

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*The views here are those of the witness, and should not be construed as those of the Japan Defense Agency.

Asia-Pacific region, there are two conflicting trends: In terms of the quality of arms, their capabilities are increasing, but in terms of the economic foundation and budgetary constraints, their capabilities are declining. Thus, on the whole, I perceive that Soviet military power poses less of a threat to Japan than it did before Gorbachev first started to apply "new thinking" to the Soviet Union's external relations.

First of all, it is true that despite their serious economic stagnancy, the Soviets continue to deploy new modern ships, aircraft, and other weapons. As recently as 1988, they added three modern ships to the Pacific Fleet: a Delta- III class nuclear-powered SLBM submarine (1,0750 tons), a Udaloy-class destroyer (6,500 tons), and a Sovremennyy-class destroyer (6,300 tons). It was also recently reported that SS-25 road-mobile missiles are being deployed to what were once SS-20 bases.

Top Soviet officials often remark that they have frozen or reduced the level of military deployment in the region. However, this has not been confirmed by other sources. In May 1989, for instance, M.A. Moiseyev, chief of the general staff, remarked that between 1984 and 89 the Soviets had either frozen or reduced the level of military power for the Soviet Asia region. He cited that no land-based nuclear arms had been deployed during this period, that no nuclear-capable aircraft had been added between 1986 and 89, and that 57 naval ships had been reduced between 1984 and 89. However, he has so far failed to reveal what type of ships these were. Nor has he confirmed the qualitative improvement of its naval power.

In May last year, Gorbachev also announced in Beijing that by the end of 1991 he would take 120,000 menfrom the Far Eastern Military District and the Pacific Fleet, which would amount to the reduction of 12 army divisions, 11 air force regiments, and 16 ships. It is difficult, however, to assess the significance of these reductions without knowing just what kind of army equipments, aircraft, and ships are to be withdrawn. One can argue that the Soviets are aiming at building a smaller but more efficient military.

The Soviet government is keen on advocating that it has adopted a "defensive" military doctrine. However, as far as the Asia-Pacific region is concerned, this change has not been so convincing. The Soviets continue to retain massive nuclear arsenals, attack fighters and modern cruisers and destroyers, which retain surprise attack capabilities. It is difficult for Moscow to explain their building three large-scale aircraft carriers (65,000 tons), Tbilisi-class by its defensive doctrine. One of them is likely to be deployed in the Western Pacific.

Despite Moscow's claims of having reduced its level of deployment and having changed their doctrine, there are also several convincing trends that point to a shift tp a less threatening Soviet military. First, on January 17 this year, Foreign Minister Shevardnadze announced that his govenment would soon withdraw all of its overseas forces from the Far East. Although he did not specify the date when such a withdrawal is to be completed, his announcement was in line with his government's earlier actions: the steady withdrawal of its troops from Mongolia and Vietnam.

Second, the government budget deficit amounted to 9% of national income in 1988 and 15% in 1989, according to one source. Premier Ryzhkov stated in June last year that he wanted to cut the current ratio of defense cost to national income by one third to one half. Another government plan is to transform 60% of arms industry to civilian industry. A deep defense cut and a large-scale demilitarization of industry would have a serious impact on arms production, certainly affecting the deployment level. Third, media reports also indicate that the lowered social status of Soviet officers is impeding the recruitment of good cadets.

These domestic constraints suggest that severe economic factors will eventually scale down Soviet military capabilities.

Still Many Uncertain Security Factors in the Region

Although I perceive that the Soviet threat is declining, today there are still many other uncertain factors which adversely affect the security environment of the region, factors which may be categorized into three types. One such type is the uncertain impact of new Soviet diplomatic and security postures on the regional security environment. (1) For example, will Moscow's new approach to Seoul ease or increase tension in Seoul-Pyongyang relations as well as Washington-Seoul relations? (2) Gorbachev's visit to Beijing in May of last year certainly normalized Sino-Soviet relations, but it has also generated a new kind of impasse, that is, disagreements over political reforms in Communist countries. Deng Xiaoping reportedly blamed Gorbachev for allowing Ceausescu of Rumania as well as other East European Communist governments to fall. Kim Il Sung and Deng Xiaoping must fear "Rumanianization" of their countries. (3) Ethnic tensions in south and southwest Soviet Union may also cause border conflicts with China.

The another type of foreseeable security uncertainties in the region is related to political instability which may be caused by internal tensions. Such tensions may rise over political succession issues, which are likely to occur in North Korea, China, Indonesia and the Philippines. In these countries, serious power struggles are foreseeable.

A third type of foreseeable security uncertainties is the possible development of nuclear weapons by North Korea and the steady buildup of the Chinese navy. These could cause a new tension between North and South Korea with important implications for Japanese and U.S. security positions.

One should also add the uncertainty of Gorbachev himself. It is difficult to know whether he can stay in power and stay on course for the policy initiatives he has set with such high speed.

The Japanese-U.S. Security Relations Important

It is due to these uncertain political and security conditions in the region that the U.S. presence continues to have a stabilizing influence over both Northeast and Southeast Asia. There is a strong expectation of a continuing U.S. presence on the part of many leaders in the region.

In fact, there is apprehension on the part of Asian allies of the U.S. about what I call the "permeation" or "spillover effect" of the U.S.-Soviet detente into the region. As the Soviets implement their unilateral arms reductions, propose mutual arms reductions, and offer some confidence-building measures, the U.S. may begin to respond to them positively, without a clear concept of what kind of new security framework it wants to seek. U.S. studies of reducing its military presence in Japan, South Korea, the Philippines and the Pacific, as they are reported in the press, are therefore a new source of security concern for the region, particularly the U.S. allies, when they do not know how far the U.S. reduction of forces will go nor what kind of force structure the U.S. is going to introduce.

There are reports indicating that the armed forces of the U.S. and the Soviet Union are interested in promoting confidence-building measures for the Asia-Pacific region. For instance, there is a report that the U.S. Pacific Fleet will be sending a ship to Vladivostok this year. This is not a welcome move to Japan, which prefers joint steps to be taken in such cases. For Japan, better CBM measures would be for the Soviets to reduce military flights around Japan (over 800 times a year) and to increase the transparency of military information such as its force structure in the Far East, not to mention the return of the disputed islands.

If and when the U.S. should reduce its military presence in Japan, Japan and the U.S. should have a common understanding of why such force reduction would not weaken their respective security positions. Japan should continue to make steady efforts in strengthening the Self-Defense Forces, particularly its capability to sustain combat. But at the same time the Japanese government is aware that it would difficult to seek a larger defense role to fill the void created by a U.S. force withdrawal, because neither the Japanese public nor its Asian neighbors would support such an expanded role by Japan. Nor am I sure whether the U.S. would like such a Japanese role.

The Soviets have already expressed their interest in discussing naval arms control for the Pacific with Japan. In the last few years Soviet leaders like Gorbachev and Akhromeyev have proposed several ideas about this. The U.S. and Japan need to consult on this issue closely, before they can take up this issue with the Soviet Union, so that the Soviets will not take advantage of possible differences between Tokyo and Washington. We need to redefine what our common objectives are and how we shoud approach them.

In the Asia-Pacific region where many uncertain security factors are evident, the stability and viability of Japanese-U.S. security relations serves as a key to the stability of the region. The U.S., with the support of its Asian and European allies, should continue to play an effective role in maintaining the military balance and deterring potential threats, even after the U.S.-Soviet detente is attained in the region.

Thank you very much.

Chairman NUNN. Thank you, Doctor.

Dr. Karl Kaiser, we are again pleased to have you here.

STATEMENT OF KARL KAISER, DIRECTOR, RESEARCH INSTITUTE OF THE GERMAN SOCIETY FOR FOREIGN AFFAIRS

Dr. KAISER. Mr. Chairman, Senators, I would like to thank you for the opportunity to share some thoughts with you on the evolution in Europe in this distinguished committee.

There is no doubt that the postwar order in Europe is breaking up. Forty years of repression in Soviet satellite states have come to an end, and democracy is being established in all of them.

The Soviet Union itself is engaged in fundamental reform and simultaneously sliding into an ever deepening internal crisis and is withdrawing its hegemonical grip from these countries. The Iron Curtain is being demolished most visibly at its center, the Berlin Wall. Germany's division, the centerpiece of the postwar order, is coming to an end.

As a German who is particularly moved by the beginning victory of democracy in East Germany and by the beginning reunification of his own country, I cannot take notice of these developments without paying tribute to the extraordinary contribution the people, the Congress, and the Government of the United States have made in bringing about this change.

Without American help Europe would not have withstood Stalinist expansion and through the largest material and spiritual effort ever made by a country in peacetime, above all by wise leadership, the United States supported the reemergence of Western Europe, the victory of human rights and democracy, as well as the rise of a prosperous, successful Western economy.

Today old creeds, constraints and institutions no longer work, and the breathtaking dynamics are at once erosive and explosive. The human factor and societal processes dictate the pace of change relegating institutional politics as well as diplomacy to a reactive art at best.

Every change in Europe can now potentially lead to instability. The pace of change is particularly fast in the case of Germany, but also in the Soviet Union.

As we look at the evolution we see a number of elements of change, and I would like to deal with them very briefly so that I can use the time to deal in particular with the German problem and its international implications.

The Warsaw Pact which NATO had to deal with for several decades no longer exists. Surely the military potential is still there, but the political context which could activate it has fundamentally changed. The Pact is no longer able to impose ideological homogeneity. The Brezhnev Doctrine has been withdrawn. Democracy is in the process of being established by all of Russia's allies.

The second purpose of the Pact, to establish Soviet hegemony over the foreign policy of the allies, no longer works in the old ways. So far, as a result of democratization in these countries, continued membership in the Pact alone seems to be the minimum requirement for the Soviet Union.

And third, the Pact had the purpose of providing a security zone for the Soviet Union. This apparently is still the case, but as these countries turn into democracies and know that Western democracies will not attack them, that this is sheer fantasy, the credibility of a Soviet presence in these countries diminishes constantly.

The consequences are profound. Our former so-called enemies have become democracies, and democracies will not be accomplices in any plans for joint aggression against the West. And, in that sense, the situation in Europe has fundamentally changed.

This, of course, also affects the United States' presence in Europe. A declining threat from the Warsaw Pact will allow lower defense requirements on the Western side and inevitably reinforces the ongoing trends to reduce the U.S. military presence in Europe.

We in Europe understand the imperatives of the budget deficit and America's internal problems, and we hope that we can now engage in a negotiated process of a certain reduction of the U.S. presence in the context of East-West relations.

However, the United States could easily torpedo the common Western approach to the conventional arms control negotiations if it were to make cuts unilaterally which are substantially under the limits agreed at CFE. Moreover, unilateralism or bilateralism with the Soviet Union could, if undertaken, undermine decades of multilateral approaches within the alliance at the very moment when the postwar system could be gradually replaced by a new order, a process which requires cooperative and multilateral approaches by the West.

The American presence in Europe will remain necessary to manage what might become a chaotic and possibly protracted transition into a post-cold war order. This presence will be required even afterwards to counterbalance the Soviet Union as a nuclear superpower, which it will continue to be, and as a world power present in Europe.

Though that can be done with a lower presence, I can imagine a situation where at the end of a process and as part of a new European peace order there would be a small American presence, combined with forward placed depots for reinforcements. This would compensate for the geostrategic advantage of the Soviet Union, which hopefully would have withdrawn its forces beyond the River Bug, and provide an additional guarantee against the revival of old European rivalries.

The change will also affect nuclear deterrence. The real threat of aggression declines as a result of disarmament in Vienna and START and of the rise of democracy and internal change in the Soviet Union. The military consequence will be, in particular, an increase in warning time. That does not mean war will be impossible; and since this is the case, we continue to require, even in a future order, a nuclear dimension that makes war unwageable.

However, we can rethink the elements of extended deterrence quite fundamentally. As the threat diminishes and the warning time increases, numbers can go down very substantially to a minimum both at the strategic and at the sub-strategic level. The composition can change. We can negotiate away most of the short-range systems and possibly even all of the ground-launched systems.

We can think for the first time in terms of new schemes since we have sufficient warning time to redeploy nuclear weapons in times of crisis or to keep weapons carriers separate from warheads and invent schemes to redeploy them in times of crisis. We also have to think of a reorganization of forward defense as the stationed forces are reduced. I will come back to that.

The most important area of change that I would like to deal with is the development around the German question. The postwar order started to break up at the moment when democracy began to rise in some East European countries. When this process spread to East Germany, it met with a special condition: East Germany's being part of a divided country. The division of Germany has been the basis of the division between East and West. Therefore, the change in Germany is most momentous.

But what is happening right now as we are meeting here is an extraordinarily dynamic process of what I would call chaotic unification. Autonomous forces are set in motion: free people who choose freedom and who want to live a better life. They cannot be controlled by institutions anymore. As human rights and democracy spread to East Germany, the will for self-determination creates a situation as we face it now. The old regime can no longer control it.

If the exodus from East Germany continues—and the average during the last days has been roughly 2,000 per day—East Germany will collapse and West Germany will have to bear unbearable strains in its domestic, political and economic system.

There is general consensus between communists in East Germany, the opposition groups and all parties in the Federal Republic of Germany that there is only one way to stop this process; that is, to create conditions in East Germany which make it possible for people to have hope, so that they stay.

This means that a vast transfer of resources has to take place. Institutions of cooperation have to be created, the market economy has to be extended to East Germany, an orderly currency system has to be established. It is a desperate race against time in order to reestablish confidence in the future in East Germany. Otherwise, millions will leave the country and the situation will totally destabilize.

At the moment, a great amount of exchange is taking place on thousands of different levels between cities, associations, firms, political parties, and companies. In Berlin, for all practical purposes, a regional governmental body has been established in order to deal with the desperate situation that has been created by opening the wall. What we have now is a situation where Germany consists of two states that share domestic politics.

However, there is also a growing consensus in both parts of Germany, given the desperate state of affairs, the rundown economy of East Germany and the desire for secure freedom, that in the last analysis only unification will solve the problem.

The rapidity is extraordinary. We must keep in mind that the exodus started late summer. On October 9 the Leipzig demonstration took place calling "We are the people", and Honecker fell. On November 9 the wall opened. On November 28, facing this situation of beginning chaos in East Germany, growing exodus from

East Germany, profound worries among allies, in the Soviet Union, as well as increasing demands at home for some form of policy, Chancellor Helmut Kohl presented his 10 point plan.

This 10 point plan first develops a framework for a possible evolution to guide policy. It is flexible. It stresses stages and conditions. Its purpose is to alleviate the immediate problems, to further democracy in East Germany, to enhance stability, and in the end to lead to unity.

Second, it is to reassure the allies as well as the Soviet Union, by stressing the linkage of this process to the multilateral elements of the European process, notably to the European Community, which provides ties to the Federal Republic in many ways, and to the CSCE process.

Third, this plan had to project hope and vision into East Germany to give people hope so that they stay.

Finally, the plan had to give some direction to our own domestic debate and to regain the initiative. At this stage, there is practically a national consensus in the Federal Republic that this plan provides a guide for future action, with the exception of a few members of the Green Party.

Surely the Chancellor was criticized for the fact that the plan did not deal adequately with the border issue. But, here again, I would argue that there is a very clear consensus among all responsible forces in the Federal Republic that if Germany wants to have the support of everybody in achieving unity, this process must not be associated with reopening the territorial issue.

That question is settled, in our opinion, particularly with the Chancellor's speech in Paris lately. There is absolutely no ambiguity anymore that all political forces in the country will, as unification continues, regard the Oder-Neisse line as the final border between a united Germany and Poland.

Of course we are aware of the outside concerns. They are directed at the extraordinary speed, which is not under our control, at the potential power of a reunited Germany, at the potential danger of unilateral action by Germany, and at the danger of disregarding existing arrangements.

We must keep in mind the nature of the events unfolding in front of us. What happens here is exactly what the West has jointly worked for, for 40 years, and for which it has created institutions, and invested extraordinary resources.

This is what we wanted, the breakdown of communism, the rise of human rights and democracy in Eastern Europe, the end of Germany's and Europe's division on the horizon, and the decrease of the military threat.

As we do this, we also have a Germany that the statesmen of the 1940s set out to create, both within Germany and among our allies: i.e. a stable, working democracy, tied into the European Community, a trusted friend and ally of the United States and the West European allies, a force of conciliation between East and West.

The institutions of European integration and of NATO that were created then, were exactly created for the purpose of what happens and to provide a framework for it.

Therefore, this is the moment of truth for European integration and for Western cooperation. We shall now see whether the commitments built up in 40 years will hold. I am confident they will.

It is useful to remind oneself of the framework of 1952 and 1954, when the agreements were made that set this process in motion. At that time the Federal Republic received sovereignty. It accepted rearmament, entered NATO, the West European Union, and Western institutions in Europe.

And the Federal Republic conceded to the allies the responsibilities relating to Berlin, Germany as a whole, including reunification and a peace settlement.

The allies, in return, granted to support German unity, and they defined a unified Germany as enjoying a liberal democratic constitution like that of the Federal Republic, and integrated in the European Community.

Furthermore, they said that a peace settlement must be "freely negotiated between Germany and her former enemies." As Adenauer then put it, between the West and the Federal Republic: there will be no diktat. As these developments unfold now, we must keep this framework in mind devised then for exactly this present constellation.

We also have to keep Soviet interests in mind. The Soviet Union worries about the developments, particularly about the rapidity; but if you analyze everything that has been said by spokesmen of the Soviet Union, they are not against the unity of Germany. They want their security concerns to be taken into account. They want an orderly process. They are fundamentally rethinking their role in Europe, in Western Europe in particular.

As you can see from Shevardnadze's questions with regard to the German problem when he visited the NATO headquarters, the question of Warsaw Pact membership is a very crucial one to the Soviets with regard to an East Germany that is joining West Germany. What will happen to the troop presence? At the same time, however, the Soviets are also considering the costs of staying in Europe.

What is evolving now must be a process taking place at several levels: the European Community, NATO, Western European Union, coordinated approaches within the Conference on Security and Cooperation in Europe and the Vienna negotiations, as well as a redefinition of the four-power rights.

All of it can only proceed incrementally. I think it would be a grave mistake to think of dealing with the problem by having one treaty in one act. Both the Potsdam agreements and the agreements between the Federal Republic and the three powers of 1952–1954 instead speak of a "peace settlement." This has started, in fact, a long time ago with the Harmel exercise in 1967.

There is one thing, however, which we should be careful not to do: to act now in a precipitate manner exclusively on the basis of the four-power rights, as it has been suggested by Professor George Kennan, and has sometimes been mentioned in the press; and of course it was called up when the four ambassadors met in Berlin.

I can think of no quicker way to undo what is the greatest success story of American and Western foreign policy, namely the rebuilding of German democracy and the establishment of a stable

European order for evolution in Europe than a policy that appears to revive the anti-Hitler coalition.

It would deny the rebuilding of democracy, the established trust and friendship between the Federal Republic and the West. The young generation of Germans, the grandchildren of the people who waged war, would not understand it. In fact, they are likely to resent it.

Of course the four-power rights are still there and they are valid. But if they are exercised, they should be exercised in the context of a longer process, and in the spirit not of the victors of 45 years ago but of the partners in building a stable order that we all have become in the last 40 years.

If the Soviets play with this instrument they are not well advised. It seems to me the West should be very careful before walking into this trap.

Finally, then: what could be the elements of a solution?

It must, in my opinion, proceed at several levels. The first level will be the European Community. That is to say, the further continuation of the completion of the internal market, which implies a further restriction of the national sovereignties of all states involved, including that of a grown Germany.

Second, on economic and monetary union there was willingness visible at the Strasbourg summit of the Community. The Chancellor and his coalition have made the decision, also backed by the opposition, to insert the German currency into a Europeanized system. This implies substantial restriction of national sovereignty.

Third, East Germany should become a member of the Community by joining the Federal Republic in some confederal or federal way. The other alternatives, mentioned by Community President Jacques Delors, have serious shortcomings. Association takes time, and we have no time, and membership of a second German state presupposes that that state is ready; and that again will take time.

Of course all of this is subject to the free decision of the next freely elected East German parliament. It will only be done if they wish to do so. If they do not wish to join Germany, then of course we shall respect it. But, at the moment, it appears that there is a growing majority for unification.

Finally, the European Community must be positive in its attitude toward Eastern Europe and the Soviet Union.

There is the second level of the Vienna negotiations. Disarmament continues, and hopefully we will go into the second stage. New confidence-building measures are being developed, and as we can start negotiations on the reduction of short-range weapons, Europe will change further.

The third level will be the process of CSCE. Hopefully, there will be a new conference this coming year. This will start a process leading to binding commitments and new institutions that tie together the two parts of the continent.

Fourth and finally, we will have to go through the difficult process of discussing within the West and with the East the future status of East Germany with regard to security policy.

I could think of a transitional phase where East Germany is engaged in unification at the level of economy and society, and still remains a somewhat separate unit with regard to security and foreign policy, retaining membership in the Warsaw Pact, but a reformed Warsaw Pact based on sovereignty of its members.

This could be extended up to the transition into the second phase of the Vienna negotiations. Then we can negotiate a special status for the eastern part of a Germany in the process of unification with regard to security.

Imagination is called for in a situation that has no historical precedent. I imagine we have to think out new ways to accommodate some of the Soviet concerns. It seems to me, a Western commitment not to station troops there and the acceptance of some Soviet presence for a transitional period——

Chairman NUNN. You were saying a Western commitment not to station troops where?

Dr. KAISER. In East Germany—and the acceptance of some transitional small Soviet presence in that area, and a redeployment, a restructuring of forward defense could be elements. And by that I mean that the remaining stationed troops could be moved to the rear and that the German troops will occupy the center, and thereby have a stabilizing function as a link in the center of Europe.

Already today there is an East German army whose conscripts publicly, in front of television cameras, question the justifiability of common maneuvers with the Soviets. This army will not in the future, as Germany unifies, be a partner in any Soviet aggression.

So, Mr. Chairman, I conclude that a unification that we can think of will take place in phases under conditions tied into various institutional setups. When the end result is reached, with Germany reunified in some form, it will still be in NATO—not the NATO of today, but a reformed and different NATO—in a Europe with decreased tension and democracies on the other side.

All of this can only take place in steps and incrementally in a process, not in one single act, and it presupposes that we continue what was the basis of postwar peace: namely that amongst ourselves we pursue all of this in a cooperative spirit and in a spirit of partnership.

Thank you.

Chairman NUNN. Thank you very much, Dr. Kaiser. You gave us a great deal to think about there, and we will come back for questions. Ambassador de Rose.

STATEMENT OF AMBASSADOR FRANCOIS de ROSE (RET.) FORMER FRENCH PERMANENT REPRESENTATIVE TO NATO

Ambassador de ROSE. Thank you, Mr. Chairman. I want to add my thanks to those of the two previous speakers in thanking you for having invited us to take part in this hearing.

As has been said, certainly events are moving very fast. They are moving so fast that anyone who would have predicted them 6 months ago would probably have been committed to an insane asylum.

The second characteristic is that the events are not controlled by governments. They are made by the people who revolt against the tyranny which has been imposed upon them for 45 years. So, we must try to fathom, to understand what are the basic facts.

I think the most basic fact is the decline of communism and its virtual disappearance in the eastern countries in Eastern Europe and its weakening in the Soviet Union, too.

As a result, Soviet problems are increasing. While the political tension in Europe is diminishing as well as the military threats—the Soviet Union is probably politically weakened to the point that it could not use its military power, its military forces, to serve her interests outside her own borders. That has been shown by what happened in Eastern Europe. And even using its military power inside her own borders is creating the problems that we now witness in the Caucasus.

Satellite countries now ask Soviet forces to evacuate their territory, and the question that is therefore before us is that if military threats are declining, is there still a need for our alliance. Is there still a need to defend ourselves against threats or menace which are so obviously diminishing?.

So, I think we must ask ourselves what is the impact, what are the impacts on both alliances of the events which are taking place under our eyes.

First of all, we have the changes in the Soviet nuclear policy. We saw that first in Wyoming when Mr. Chevardnadze gave up the link between the proceeding with START and a United States renouncement to the SDI program.

We saw that also over the question of the dissolution of both alliances which had been for 40 years the landmark of Soviet policy, asking, saying that both alliances should be disbanded. And now they say they should be kept, both of them, probably because the future of her own alliance is now so much in question.

In Vienna after having justified the gigantic military programs of the Soviet Union by the threat of aggression by the West, by NATO, absurd as it was from the moment they had achieved nuclear power and in view of their superiority in conventional forces. However, that was the motive given.

Now, they have given up that motive as they agree that Vienna should aim at parity of forces and suppression of asymmetries which means that they no longer need or cannot for internal or external propaganda to justify their gigantic programs by a threat that does not exist.

That being so now they no longer question our motives, and I think that is the best chance for the Vienna talks. I have been personally very dubious all my life on the chances on disarmament, and for the first time now, in view of the change of the approach of the Soviet Union, I believe that Vienna can really make good business and reach lower levels of armaments on all sides.

Also they insisted for many years, for decades, that the United States should leave Europe, which was the result of the dissolution of both alliances. Now, they say that the United States and Canada are natural components of the international and political structure of Europe.

Why do they say that? Because it is with that idea, that their chances of remaining in Eastern Europe is—and holding the Warsaw Pact—are the best. But the crisis in the Warsaw Pact is there as Karl Kaiser has just said, because ideologically it is completely deprived of its justification which was to hold in the Communist fold those satellite countries, and now those countries are no longer Communist, so what is the political and ideological justification of the Pact? So, the Pact is threatened of collapse.

Now, the danger is that uninformed public opinion among all the allies, I say in Europe and probably also in the United States and probably in Japan, too, ask if there is no more threat, if the Warsaw Pact is going to dissolve, what is the need for the Atlantic alliance. And there is where we must be very firm and refuse the false symmetry between the two alliances, false symmetry because of the ideological context, as I have just said, the ideological basis of the Warsaw Pact is collapsing, while it is the very ideology of our alliance which is now prevailing and which embodies now the aspiration of the Eastern European countries; that is to say freedom, rights of men and higher standard of living.

We must refuse symmetry because there is no geographical symmetry between the alliance where the major power on the West is separated from Europe by the ocean while the major power on the other side is contiguous, is characterized by land continuity. And, in any case, because the Soviet Union will remain a major military power come what may. Indeed, the Soviet Union does not need the Warsaw Pact to be a major military power, while Europe is not a balance to the Soviet Union power without NATO and without the United States' presence at whatever level. So, we have to refuse that symmetry by which there would be pressure for us to give up our alliance because the Eastern alliance could collapse.

As a matter of fact, if we gave way on that point and relaxed our vigilance, we would see Soviet superiority immediately reappearing, if there were no NATO or United States presence to balance that. Soviet superiority which now is so much on the decline would immediately reappear. It sounds paradoxical but the truth is that Soviet present weakness would bring the Kremlin the result that it tried and never achieved by building its gigantic military forces: getting the United States out of Europe and being then the major power on the whole continent.

But we must admit that the same situation creates a crisis in the defense concept of the alliance. Flexible response was built on the assumption that there would be a conventional threat, the Soviets having said that they would never resort to first use of nuclear weapons and leaving the decision to go nuclear to the Western powers.

Now that they will considerably withdraw some of their forces from Eastern Europe, now that there is no more loyalty from their present and maybe not future allies, it is clear that the conventional threat on which the defense of NATO was geared is no longer there and that the loyalty of the eastern countries is so questionable that they cannot be relied upon.

So, in that condition what is the future of forward defense? What is the future of FOFA when the countries on which FOFA was to be applied are democratic, free countries, much closer to the West than they are to the East? These obstacles to the eventual implementation of flexible response means that the nuclear imbalance in Europe (the Soviets having in their territory strategic and short-range weapons in a much greater number than the Atlantic alliance in Europe) that nuclear imbalance will be felt much more from now on especially by those countries who are deprived of nuclear weapons.

And it is not the strategic forces of either the United States, Britain or France that can by themselves and all alone establish deterrents. The United States had to give up the strategy of massive retaliation the moment the Soviets can achieve nuclear power. It is not to be resumed now.

So, strategic forces all by themselves do not answer the question. What I want to add now is about the Vienna talks. If an agreement is reached between East and West on the level of forces on both sides and between those of the United States on the one hand and the Soviet Union on the other, that agreement may give a new legitimacy to the presence of Soviet forces in Eastern Europe which is now nonexistent because of the ideological situation.

It is not our business to rescue the Warsaw Pact, but it is our business to see to it that its eventual collapse does not bring about the collapse of our security in Europe.

Now, what will happen in Germany has been dealt with by Karl Kaiser already, and I will not go too much into it although I will speak on that problem as the citizen of a country whose policy has been since the end of the war to build the closest and steadiest partnership with Germany in the building of Europe, a partnership, we are absolutely determined to keep.

Reunification of Germany which is imminent, hopefully, is what we have been determined to obtain. It doesn't raise fears, as is sometimes reported because Germany is now a true democracy and is probably not tempted by new military power. But it raises questions.

It raises questions essentially because European integration is not going to happen and develop at the same pace as German reunification. German reunification is around the corner, and European integration will take more time.

What form will that reunification take? There are three possibilities. One is a centralized state, one is a federal state, and the third one is a confederal state. All three solutions have different impact on the alliance and on the military situation in Europe.

It is, of course, impossible to have Germany with one half in the Atlantic alliance and another part in the Warsaw Pact. This is probably what Secretary of State Baker had in mind when he said that the reunified Germany should belong in its entirety to the Atlantic alliance. If that is possible, fine, because then our problems will be solved. Whether the Soviets would concur is still to be seen.

If not, if that is not the solution, then Chancellor Kohl has spoken of a confederal state in the 10 points that he presented for the timetable for the reunification of Germany.

Theoretically it perhaps could be possible to have two states, one western state which would belong to the Atlantic alliance and one eastern state that would be outside the Atlantic alliance, probably could be demilitarized as far as Western forces are concerned, but would retain some Soviet forces as Karl Kaiser seems to me to have just accepted the hypothesis a minute ago. It will be for the Germans to decide.

Actually for 100 years it was German military policy that dominated the history of Europe. It could be now the opposite. They could create the problems to come. If the German people having reached their national objectives feeling that they are the dominant nation in Europe would feel less concerned with further security, with the future security of their allies and partners as well as their own.

It has always been a mistake in French policy in decades gone by to try to ask the Germans to choose between Paris and Washington. It would be a mistake today for us all to ask the Germans to choose between reunification and maintaining their ties with their Atlantic allies. Election in the DDR will take place on the 6th of May. Some times ago one could think that East Germans would tend to keep two states. Right now it seems—and it would be normal—that the East Germans would feel that it is through a merger in western Germany that they will sooner get the benefit of higher standard of living and personal and political freedom.

So, in that situation the DDR might feel that a unified state is the best and quickest way to solving its problems.

In that sense what will happen in Vienna is very important. I would even venture to suggest that if there was an agreement even before Vienna between the United States and the Soviet Union as to the level of forces that they would keep on both sides, that would become part of the picture, an important part of the picture of the future shape of Europe, and it would not be something that would be left to the hazards of elections.

We are in a transition phase, and I come to my conclusion. In past history crises in great empires have often led to major wars. There is no danger of such an outcome with the present crisis in the Soviet empire because the memories of the last war are still too present because NATO has kept a deterrent and defense position which was sufficient and because nuclear weapons are there to remind everybody not to take rash actions, not to take chances with the existence and future of nations.

But the less we can rely on nuclear weapons, the more deterrence will be based on the show of military presence and military capacity of the United States and Europe together. In that sense the Berlin speech of the Secretary of State should be meditated.

The alliance, Mr. Chairman, was necessary when it was Soviet military power, military menace that threatened us. It is no less necessary when it is Soviet political weakness which now presents the problem of the last decade of the century in Europe.

Thank you.

[The prepared statement of Ambassador de Rose follows:]

PREPARED STATEMENT OF FRANCOIS DE ROSE

FORMER FRENCH PERMANENT REPRESENTATIVE TO NATO

TOPIC : Implications for U.S. alliances in Europe and in the Far East of recent changes in the global security environment, includingthe growing dissolution of the Warsaw Pact as an integrated military alliance, the Soviet unilateral withdrawals in Europe, progress towards attainment of CFE agreement providing for highly asymetric NATO and Warsaw Pact conventional force reductions to equal ceilings, the emergence of the German reunification Question and changes in Soviet policy towards Asia.

Argument of the remarks to be presented by François de Rose former French ambassador to Nato.

It has been reported that Zhu Enlai, asked what had been, in his opinion, the consequences of the French Revolution of 1789 on world history pondered for a while and answered :"It is too early to form an opinion".

To Westerners who do not have 4000 years of history behind them, there is more hurry to assess the impact of events taking place in the Communist world at the close of this century. However, we may take a leaf from the Chinese book of wisdom and not jump to conclusions on the results of Mr. Gorbatchev's policy.

Yet, governments and legislators have to decide the course of the policy to conduct which have to be based, to the best of one's knowledge, on a few established facts and a much larger number of assumptions.

The main facts are that the failure of the Communist system is established to the peoples who have been subjected to it and that they hope for a change to higher standard of living and democratic public [illegible] and individual freedoms. Equaly, the Soviet Union can no longer hope to meet the challenges of next century and keep pace of her armaments spending and some of her overseas commitments, nor can she face the constant sliding down of her economy as compared to that of the capitalist nations.

Assuming that "perestroika" is meant to bring about an efficient brand of Communism, we do'nt know whether it will succeed or eventualy bring about its collapse. It is not yet clear if the ousting of stalinist leaders in some of the East European countries will not open the way for Communists of the Gorbachev vintage or for real multi-parties political life and market economy. We shall know only if, when and where free elections are held.

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It is not possible to draw, even a summary balance sheet of all the events which have altered the picture of past East-West relations on which were based the security policy of the Western allies. Yet, there is no doubt that political tensions heve considerably diminished and so has the military threat. Indeed, the USSR is so politicaly weakend that, at least for the time being, she is probably no lonhger able to use her military strength as a a lever to serve her interests outside her borders. Events which have taken place in Eastern Europe and which are, in all likelyhood, irreversible, are evidence of this situation.

Taking stock of that change in the picture of our relations with the USSR does not mean, hopefully, that the Western powers think their alliance to be less necessary. But to what extent do theses changes modify the deterrent and defense strategy, posture and mechanisms that have maintained peace for the last 40 years and what new dispositions should be taken are the questions we now have to face.

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WARSAW PACT AND ATLANTIC ALLIANCE

To be more specific on security issues, the change in the declared policy of the Kremlin is striking.

In Wyoming, MR. Chevardnadze gave up the link his leader had established in Reykjavik between an agreement on START and Washington renouncing S.D.I.

Moscow has announced unilateral reductions of both nuclear and conventional forces in Europe and at home.. Important as these moves are, one must not forget that NATO has precedence in such unilateral reductions in tactical nuclear weapons and that, as far as conventional armaments are concerned, the Western powers had accepted inferiority in numbers that amounted to structural disarmament on our part.

For several decades, Soviet diplomacy has been aimed at obtaining the dismantling of the Atlantic Alliance and decoupling U.S. nuclear forces from the defense of Europe.

On both issues, the language has changed.

The Kremlin now advocates maintening both alliances in Europe and admits that the U.S.A. and Canada are "natural components of the international and political structure of Europe". Indeed, some analysis say that these changes do not amount to much as Moscow is probably convinced that the U.S. will in any case leave Europe for budgetary reasons and because German opposition will force withdrawal of all nuclear weapons. As far as the stand on the U.S. and Canada is concerned, it would be meant to make the concept of "Europe our common home" more palatable to the Europeans. And, in his Strasbourg speech to the Council of Europe, the Soviet President has maintained his condemnation of NATO's strategy of deterrence and advocated denuclearisation of Europe by the year 2000.

But the facts are that recent events have seriously weakened the political basis of the Warsaw Pact which was to keep the satellites firmly welded to the Communist flock. If and when these countries are no longer governed by communist parties, the ideological justification of the alliance is gone.

Hence the stand in favour of keeping both the Eastern and Western alliances which would be best served if communist leaders of Mr. Gorbatchev tendencies were kept in power in as many countries as possible, most especialy in the DDR.

Whatever may happen on that front, the Western powers should be firm on their refusal to have their alliance being put in the same category as the other. While the latter is undergoing the ideological crisis we know, the philosophy of political freedom and defense of the rights of man of the former are the very values for which the Eastern Europeans have overthrown their leaders.

So, even if the Warsaw Pact was to desintegrate, we should refuse the false symetry which would demand dismantling our own alliance. Not only because ours is a pact of free peoples who adhere to it volontarily but because giving way on that point would be forgetting that geographical asymetry is permanent and would make Soviet military power cast a long shadow over most of the continent. Soviet policy would then gain what it never secured through building gigantic military forces.

Nato will have to take stock that, so far, its strategy of "flexible response" was based on the asumption that an eventual aggresion from the East would have most likely taken place at the conventional level with a purpose to dismantle Western defense, leaving the West with the decision to "go nuclear", the Soviets having declared that they would never resort to "first use". If, as probable, it happens that Vienna talks reduce substantialy Soviet conventional superiority and more or less the danger of a disarming first strike, the main vulnerability in Europe will no longer lie in the conventional field but in the nuclear imbalance due to Soviet nuclear (strategic ans short range) overwhelming superiority to NATO's deployements on the continent. The political impact and power of intimidation over countries deprived of these means and whose urban and social structures makes them highly vul nerable is, from now on a fact of life, not to be underestimated. Nor should it be forgotten that the Soviet Union does not need the Warsaw Pact to be the strongest power in Europe while Europe, without NATO and the United States is not a match to that power.

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ARMS REDUCTIONS TALKS AND ALLIANCES

The immediate prospect for a successful outcome of the Vienna talks on CFE is better that ever.

This opinionis based on the asumption that Moscow realy needs to reduce its spending on armaments and on changes in its approach to the discussions.

For more tha 30 years, Soviet diplomacy has justified its military programs on the need to be able to stop and defeat an aggresssion from the West. From the moment the USSR had reached the status of nuclear power, in the 50s, and in view of its superiority in the conventional field, an attack from the West would have been sheer madness and no responsible official in the Kremlin could ignore that. The motives given were therefore dictated by the needs of internal and external propaganda. Now that the Kremlin accepts the principle of parity and elimination of asymetric postures, it means that former justifications are no longer necessary, nor is there a need to question our motives.

On that basis, progress on the road to security at lower levels of forces and expenditures should be possible.

One advantage, for the Soviet Union of such an agreement would be to give a new and different justification for the presence of her forces in Eastern Europe, perhaps more acceptable to the Eastern governements and peoples than the "legitimacy" proceeding from the Warsaw Pact and bilateral treaties.

It is not our business to rescue the Warsaw Pact, now threatened by the demands of Russia's allies that her troops evacuate their territories. (Although they say, at least to day, that this would be compatible with their staying members of the Pact. The situation would then be that of Czekoslovakia before the 1968 invasion. It will be noted that the Polish demand comes from Mr. Valesa and not from the government who is probably more ready than others to keep the alliance to guarantee its Western frontier in view of the pending German reunification.

Whatever the future has in store, it is our responsibility to see to it that the Pact's eventual collapse does not bring about that of Western security. It must be assumed therefore that we will want to retain the goal of deterrence that has prooved so successful over the last four decades as an insurance against possible changes in Soviet main lines of policy. At a time when the regime and the state organisation of the USSR are shakken by political, nationalist and economic crises of unprecedented magnitude, the armed forces represent probably the steadiest and strongest structure in office. Whether that is a positive and stabilising factor is still to be seen.

The Western allies will have to study, hopefully before any unilateral decision is made and in relation with the commitments entered into in the Vienna talks, the general level and posture of their forces with special attention to U.S. forces in Europe, numbers and armaments (nuclear and conventional). What future is there for forward defense and FOFA when former satellites countries are, politicaly, closer to the West than to the East? Moscow will then harvest the unilateral benefit of the Washington INT Treaty

The Federal Republic holds the key position on the future of nuclear deterrence. What would be the reaction in the United States (public opinion, Congress and the Executive) if there was resolute opposition in Germany to deployments of theses weapons?

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GERMANY

Some misgivings are perceived in Europe at the prospect of a resurgent militarily over powerful Germany. They are stronger in public opinion than in official and informed circles. They proceed from memories of the past and forget Torqueville's remark that "each generation is a people". The present generations of Germans adhere genuinely to true democracy and are probably not tempted by the building of a dominant military power. It is more likely that a majority would hope reunification to bring about a status of neutrality and disentaglement from military commitments. Germans, for some years have resented deployments of nuclear weapons on their territory and they must know that any attempt, on their part, to become a nuclear military power in their own right would meet with general opposition from their present friends and foes alike.

The problem presented by a reunified Germany is that of her economic supremacy over Central and Eastern Europe as the center of gravity of Europe shifts from her Western half to her center. A problem which is not within the scope of this paper. Suffice it to say that before Eastern markets become assets, they will be a burden and one to be borne primarily by the European Community at large.

Militarily, it is of course impossible to imagine that a unified Germany could belong, for her Western part to the Atlantic Alliance and to the Warsaw Pact for her Eastern part.

Mr. James Baker has suggested that a reunified Germany should remain a member of the Atlantic alliance. It would be interesting to know if this idea was discussed in Malta and, in any case, if there is any indication of concurrence from the Soviet Union.

In the absence of any indication to that effect, it is clear that the future of Soviet troops in East Germany is the central question.

Is it concievable that a unified Germany be a Confederation (*) of two states with the Western State remaining a member of the Atlantic Alliance with presence of reduced American and other allied forces and its Eastern State fully demilitarised, as far as German units are concerned, but keeping some Soviet forces if such was an outcome of the Vienna negociations?

It will be for the German people to decide what constitutional form their future state should have : Centralised, Federal or Confederal.

After some weeks where it looked as if the East Germans might opt for keping their own state within a Confederation, latest events point to the likely elimination or disappearance of the Communist party. It would be natural then, for the East Germans to think that they would profit more readily and rapidly of the higher standard of living of their compatriots to the West by a merger with the Federal Republic. In that case, it will have to be seen whether, on their own choice or because of Soviet pressure, a unified Germany would want to drop out of the two alliances or any formula that would make adherence to the Atlantic Alliance more symbolic that militarily meaninful.

With this in mind, one would hope that the Vienna talks, or even an early agreement between Washington and Moscow would set the level of forces that they would be willing and ready to keep in Europe.

If such an agreement could be reached before May 6th, the day of the elections in the DDR, it would then be a part of factors on which to shape the future of Central Europe and East-West relations.

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(*) In a lecture recently delivered in Paris, Chancellor Kohl said :" When the DDR has held free elections and has a freely chosen government, we want to move towards confederal structures ...".

ASIA

The problems the USSR is confronted with in southrn parts of her Asian empire are, broadly speaking of the same nature as those she faces in Europe, namely in the Baltic States and in Moldavia: appeal for independance or reunification with neighbouring states of which border populations in the USSR are national or religious bretheren.

It is probable that what will take place in the Baltic states or the Caucasus will set examples for other areas. Should it happen that any of them could make good Article 72 of the Soviet Constitution which allows sécession from the Union, why would not others follow suit ?

Ideologicaly, the situation in Asia is very different from that in Europe as the Chinese Communist party rejects "perestroika". The relations between the two giants are once more difficult and if they do not represent a security danger for the Russians, they none the less do not warrant much hope of reducing armaments on either side. A situation that will bear on negociations in Europe. The more the Soviet system will turn away from stalinism, the wider the rift with the present leadership in Beijing.

Judging by Western standards, the big problem for Moscow is the development of Siberia. No one could help more to that end than Japan. Yet, as long as the Kremlin is unable to meet the Japanese demand for the return of the 4 Kuriles islands, there is little hope for a major contribution of Japan to Siberian take off. There again, what will take place in the Baltic region will play a decisive role. The USSR refuses to return these islands for fear of the precedent thus created : giving up territories gained through World War 2. But, if the precedent takes place at the Western end of the Empire, why should it not be followed 6000 miles to the East?

Meanwhile, Japan shows much interests to what takes place in Eastern Europe and has promised a help of two thousand millions dollars to Poland and Hungary. Eastern Europe, and especialy East Germany may open the doors of the Community to Japanese investors and industrialists.

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In past history, crises in large empires have often lead to major wars. If there is no real danger of such an outcome in the present situation, it is due partly to the still present memory of the last conflict, partly because the Western powers have kept their unity and sufficient defenses and probably mostly because the nuclear policemen is there to keep deterrence and peace.

Of all the factors which have framed the balance of forces in Europe and which are now modified,, two are more basic than others. The first is the likely reduction or elimination of the Red Army from some or all East European countries, thus rendering the dangers of an East-West conflict even less credible than in the present situation. The partial or complete withdrawal of American theater nuclear weapons is the second. It is working at cross purposes with the firstas it seriously diminishes the workability of deterrence.

It would be an illusion to believe that strategic armements, either American, French or British could uphold deterrence as efficiently as U.S short and medium range systems have done until now. So, the less we can rely on nuclear arms to physically establih nuclear deterrehce, the more will have to be shown by some military presece,albeit reduced,but sufficient to make it plain that the honour and interests of the United Staes are committed, the solidarity that for security and political reasons we want to maintain. That solidarity which made our alliance necessary when it was Soviet military menace that threatend us is equely necessary when it is the political weakness of the USSR which creates the problems of this century's last decade.

This should not be a problem when the same motives that brought millions and millions of Europeans over three centuries to leave their country and emigrate to the New World in search for freedom, better living and respect for the Rights of Man are now causing more that a 100 millions East Europeans to revolt agains a tyranny imposed upon them for half a century.

Can there be, over distances and over time, a better illustration of the solidarity of ideals and destiny that bind together the United States and Europe, fortunately rejoined in their faith in democracy by Japan.

Chairman NUNN. Thank you very much, Mr. Ambassador.

Mr. Mackintosh, as they say in baseball, you are the clean-up hitter, and the bases are loaded.

We have had a lot said today by all of our witnesses, and now you will get a chance to give us your views and also if you would like to comment on any of the other views, then we will open it up to the whole panel for questions.

STATEMENT OF MALCOLM MACKINTOSH, SENIOR RESEARCH FELLOW IN SOVIET STUDIES, INTERNATIONAL INSTITUTE FOR STRATEGIC STUDIES

Mr. MACKINTOSH. Thank you very much, Mr. Chairman. Let me also say what an honor and a privilege it is for me on this, my first occasion to appear before this committee.

Mr. Chairman, as you said, the last 6 months have witnessed some of the most dramatic and unpredictable events to have taken place in Europe and in Eastern Europe for many decades.

The purpose of my remarks this morning is to try to pick out some of the relatively few known and proved facts about these events and try to see if they can help us analyze the motives of the Soviet and East European decision makers in this situation and how they may see the future.

And in order to do this, it may be worth recalling that Mikhail Gorbachev's style of policymaking and leadership is characteristic of his personality, background and temperament and is dominated by his determination to carry out his reconstruction of Soviet society—that is, perestroika—vigorously and with maximum speed through what the Russians called Uskoreniye, or acceleration.

As soon as Gorbachev felt ready to initiate reforms, in many cases across the board and in many areas, he launched new policies often presented to the outside as probes in order to decide which option offered the most promise.

In all cases, he has made full use of his concept of glasnost—that is, openness—to secure acceptance of his policies at home and approval for them abroad. Many of these initiatives and probes, especially those in foreign affairs, East/West relations and defense, make good political, economic and military sense to the Soviet Union.

They have played a successful part in the creation of a new image of the Soviet Union as a country ready and willing to collaborate with the West and other countries instead of always being seen as the enemy. Soviet readiness to embark on new-style arms control negotiations with the United States, the START talks and the conventional forces in Europe talks in Vienna, including acceptance by the Soviet Union of some traditional Western priorities and unilateral Soviet force reductions, are also explicable for military, economic and image-building reasons.

In addition Gorbachev's decision to tame the Soviet armed forces at home in ways which none of his predecessors had even considered or would not dare to do was not only revolutionary, but apparent proof when he started it of his self-confidence and authority at home as he pressed on with his program of reform.

Most of these reforms, therefore, can be explained by reference to Soviet reality as Gorbachev sees them and are being welcomed by Western observers. There are however a number of other reforms relevant to East/West relations which Gorbachev has initiated for which his motives are certainly less clear. Some indeed appear to have opened up dangers to the rest of his reform programs and perhaps to his survival as party leader and head of state.

These include his policies toward the nationalities within the Soviet Union. It seems likely that Gorbachev's original motive in approaching nationalism in the Soviet Union, including in the Baltic States, stemmed partly from a desire to build up support for his policies among the intelligentsias of the Baltic Republics, a long-neglected element of the Soviet population, which enjoyed a history with European roots and traditions.

Gorbachev was after all appealing to the same group, the intelligentsias, the intellectuals, within the Slav populations of the Soviet Union in his struggle against bureaucracy and his opponents in favor of perestroika and what has come to be known as democratizatsia, democratization.

That Gorbachev miscalculated on some of these approaches, as in the Baltic States, or that his original policies were overwhelmed by external factors including natural disasters in the Caucasus, is at the center of Soviet internal affairs today. Gorbachev's original green light to the intelligentsias in Lithuania, Latvia and Estonia was understood by many in those republics as a form of approval for loosening their ties with Moscow, politically, economically and ideologically to a point where constitutional secession from the Soviet state might be considered.

Gorbachev has never accepted this option and has had to take personal charge of measures to prevent it, such as his recent visit to Lithuania, where the process was most advanced. Gorbachev wants to keep all three republics inside the Soviet Union. Though he may agree to devolve a degree of political power and legislative and economic practices to those nationalities, and perhaps even withdraw Soviet forces from their territories as part of a kind of deal to maintain them as integral parts of the Soviet state.

As for the tragic events in the Caucasus, it seems clear also that Gorbachev's green light to them was partly responsible for the decision by historic enemies, Azeris, Armenians and to some extent Georgians to resume their age-old ethnic and religious conflicts and to try to head off Moscow's attempt to halt the unhappy process by force.

After some visibly brutal intervention by the Soviet internal security forces, the troops of the Ministry of the Interior, or MVD, in Georgia last year Gorbachev accepted the necessity of using the army to put down the series of insurrections in the region. He will probably succeed in suppressing insurgency in the short term. But the legacy of ethnic bitterness, which seems inevitable, and the damage down to perestroika and his domestic reputation and, indeed, his personal future may do harm to his international image as well.

What may be relevant to the present East/West situation is the possible link between Gorbachev's original thinking on his nationalities policy at home and the role he has apparently played in recent events in Eastern Europe. Gorbachev came late into the East European field for very good reasons from his point of view. When he took over power in 1985, all his allies in Eastern Europe, East Germany, Poland, Czechoslovakia, Hungary, Romania, and Bulgaria were ruled by elderly well established leaders, who had their countries under firm Communist Party control and were linked closely to the Soviet Union through the Warsaw Pact, through COMECON and the common ideology of Marxism/Leninism.

Gorbachev visited all of them in 1986, 1987 and probably returned to Moscow ready to formulate probes toward each country in Eastern Europe, designed to encourage them to break with their past as he had broken with his past in the Soviet Union and, with the help of their national intelligentsias, to replace the old regimes by governments willing to accept some form of pluralism in parliamentary systems, glasnost according to their own traditions by retaining a socialist system with continued membership with the Warsaw Pact of COMECON and some form of effective allegiance to the Soviet Union.

Gorbachev's plan appears to have been launched first in Hungary, where he encouraged the party to continue earlier political and economic reform and develop it. And he intimated that he intended to withdraw Soviet troops from Hungary and to disband the southern group of forces stationed there. There is good evidence that that decision may have been taken about a year ago.

He seems indeed to have some idea of turning Hungary into a sort of shop window for his new Eastern Europe. There are also indicators that Gorbachev approached the Bulgarian Communist Party, too—traditionally the most obedient of Moscow satellites—with plans to replace the old guard in Sofia with new leaders still dedicated to socialism in their political beliefs.

But before Gorbachev could press on with these ideas according to a set plan, events in Eastern Europe moved forward under their own steam and to some extent wrested the initiative from his hands. The re-emergence of solidarity in Poland as a political force compelled Gorbachev to accept a Polish Government led by a non-Communist elected ruler, Tadeusz Mazowiecki.

The government in Budapest took heart and unilaterally opened the Hungarian/Austrian border allowing thousands of Hungarians, East Germans and Czechoslovaks to cross to the West—the first catalyst, I think, in the emerging crisis. This was followed by a new government in Hungary with powers to introduce political and economic reforms, which now seem to be under way.

From this point on events moved rapidly toward the disintegration of much of the established Communist regimes in Eastern Europe, which my colleagues have mentioned here. The East German Politburo resigned on November 3, 1989 after widespread popular demonstrations in Leipzig and Dresden, which I would see as the second catalyst as it turned out, and a message from Gorbachev that Soviet troops would not intervene to save the Honecker regime.

Bulgaria duly deposed its long-time party chief, Todor Zhivkov, and made some moves toward liberalization, while retaining senior

Communists within its new governmental structure—who may, incidentally, have picked on a nationalist issue, that of the Turkish minority in the country, to hinder further reforms.

Czechoslovakia followed suit again with large-scale demonstrations leading to the resignation of the Communist leadership on November 24, and the establishment of the complex negotiations of an interim regime under Vaclav Havel and Alexander Dubcek which plans to govern the country until free elections take place later in the year.

Finally, Romania, then in the grip of Nicolae Ceausescu, the most tyrannical dictator of all, obsessed with a truly Stalinist cult of personality, erupted in violent revolution while the dictator was paying court to the Ayatollahs in Iran. The revolution, once under way, was led by the very intelligentsia wooed by Gorbachev at home and was later supported by the army, which appears to have changed sides after the murder of the minister of defense, General Milea, on Ceausescu's orders.

Ceausescu and his wife, as you know, were seized, tried by court marshall and executed. But his own security forces fought on until overwhelmed by the army and the revolutionaries. Romania, while mourning up to 7,000 dead, has tried to restore some form of government to run the country until elections promised for May this year, though prospects for political stability in the short term, due to lack of experience among the revolutionaries and the possible presence in important posts of middle-ranking members of the old regime, are not yet good.

The unmistakable result of these dramatic events for Gorbachev must be that what probably started in his mind as a reform program for Eastern Europe parallel to that being carried on in the Soviet Union has been overtaken by national developments and in many areas is out of control.

To be sure, there do exist some elements which may turn out to be positive for Gorbachev. The process of image-building in the East European countries and marginally for the Soviet Union may benefit from the disappearance of old-style Communist dominated regimes and their replacement by one or other variant of popularly elected governments, some claiming socialist credentials even with former Communist party members on board.

These new governments will seek and may obtain substantial Western economic aid, which could also benefit the Soviet Union and its ongoing economic crisis. The Soviet Union may gain credit from the fact that it did nothing to support the old regimes politically or militarily and has accepted the new, sometimes revolutionary and anti-Communist administrations which are coming to power in most of the six countries.

It is interesting to note that anti-regime demonstrations have even taken place in Mongolia and there have been unconfirmed reports of disturbances in Albania. So, the process may not be completely at an end.

On the negative side, the Soviet Union has to work out how to maneuver the new governments into maintaining some sort of alliance or association with the Soviet Union politically, militarily and ideologically under the general heading of socialism. The Soviet Union has to seek continued support from them for the retention of the post-war frontiers in Eastern Europe including the thorny question of the two German states.

In this connection, Soviet statements stress that none of the new leaderships, including the East German, are in favor of frontier changes in the foreseeable future. Soviet spokesmen have said that new frontiers, therefore a unified Germany, could be considered in the framework of the Gorbachev concept of a Common European Home without blocs or alliances, a somewhat visionary concept, but not until then.

The Soviet Union has also to consider the economic effects of the revolution on the work of COMECON and on the coordination of Soviet and East European economic development and future relations in trade between East European countries and Western Europe, the EEC and EFTA.

More urgently, however, the Soviet Union has to embark on realistic contingency planning on the future of the Warsaw Pact. Over the years, the Soviet Union enjoyed the advantages of a tightly knit, well organized military alliance controlled by the Soviet armed forces high command with major Soviet military groupings deployed forward in East Germany, Poland, Czechoslovakia, and Hungary.

The possibility now exists, however, that as a result of the changes in Eastern Europe the East European members of the alliance would increasingly call for its disbandment or at least the withdrawal of some or all of the Soviet troops stationed on their soil.

For the time being, and I stress this, Mr. Chairman, the Soviet line on this issue is to recall that although it was the Soviet Union which first offered to disband their alliance in return for that of NATO, in the present circumstances the continued existence of both organizations would contribute to European stability.

Meanwhile, each alliance should deemphasize its military element and concentrate on political goals. If all goes forward according to these Soviet plans as far as they can be predicted, the military forces of both alliances will be steadily reduced through negotiations; that is, the conventional forces in Europe negotiations in Vienna. But both will remain in being with Soviet and American troops stationed on the continent in the foreseeable future.

Total withdrawal of all foreign forces should await, in the Russian view, the outcome of talks on a new European security system perhaps initiated by an early CSCE conference and, in the Soviet view, the establishment of this common European home.

It seems likely, however, that Gorbachev must also have initiated some form of contingency planning in case one or more of the Warsaw Pact countries insists on the withdrawal of Soviet troops from their territory or on leaving the Pact altogether for whatever reason. Some have suggested already the formal removal of Soviet troops.

On a purely speculative basis, it would then be the Soviet practice to engage in delaying tactics. Perhaps damage limitation would be the right phrase. The Soviet Union would first use every argument it could to persuade its allies to remain in the Warsaw Pact and to agree to the continued stationing of some Soviet troops; for example, in the still separate East Germany, if it was in that state, in Poland and possibly Czechoslovakia perhaps in one reduced group of forces.

The Russians would stress here that withdrawal could be a lengthy process, given the size of the forces involved and their bases and should be sought best under the terms of a CFE agreement with the West.

As a fallback position, the Russians might seek an agreement to maintain a small purely defensive contingent in Western Poland only, perhaps linked hypothetically to a future German threat after unification which, as has been said by my colleagues here, may occur independently in any case and without negotiation.

But if East European demands included complete withdrawal of Soviet troops, Gorbachev would comply and would redeploy his Western group of forces behind his own frontiers. He would not try to keep Soviet forces in Eastern Europe by force. These Soviet troops in the Soviet Union might be deployed defensively and in considerable strength but would also be trained for the counteroffensive and would be available for operations in Europe should the need arise. Indeed, much of the force reorganization and modernization already announced by the Soviet military could be most effectively carried out on home ground.

Potentially, at least, Gorbachev will work hard to keep some form of Soviet presence and influence in the East European countries perhaps through the ongoing CFE process, to which he will give, I think, increasing support and, indeed, offer further concessions to the West. If a situation involving total Soviet withdrawal were to come to pass unilaterally because of East European demand, the West might have to do its own contingency planning for what would certainly be a kind of military vacuum in Eastern Europe after the Soviet forces had left.

This, Mr. Chairman, in conclusion, could be a topic perhaps which will have to be discussed in the West as the two sides plan for the follow-up CFE talks in the months and years ahead.

Thank you very much.

[The prepared statement of Mr. Mackintosh follows:]

PREPARED STATEMENT OF MALCOLM MACKINTOSH
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EAST-WEST RELATIONS AND EASTERN EUROPE

1. The last six months have witnessed some of the most dramatic and unpredictable events to have taken place in Eastern Europe for many decades. As we look to-day at the evolving scene in the Soviet Union and Eastern Europe, it is hard to identify or describe with any certainty a central theme which would enable us to place what has happened in perspective across the board. The purpose of this statement is to pick out a few known facts about these events and try to see if they can help us to analyse the motives of the Soviet and East European decision-makers and how they may see the future.

2. In order to do this, it may be worth recalling that Mikhail Gorbachev's style of policy-making and leadership is characteristic of his personality, background and temperament, and is dominated by his determination to act vigorously and with maximum speed through "Uskoreniye" or "acceleration". Where necessary, as he sees it, opposition should be identified, isolated, and ultimately overcome, using existing methods within the Soviet system or new instruments created by himself as part of the structure of Soviet power. Where, thanks to his experience and knowledge, he was able to act quickly and firmly, for example, in Communist Party and governmental organisations, on ideology, and in some areas of the economy, he did so - under the general title of "perestroika". Where he lacked experience, as in foreign affairs, defence and trade, he began a learning process, advised by experts sympathetic to his "new thinking". As soon as he felt ready to initiate reforms in these areas, he launched new policies, often presented as "probes" in order to decide which option offered the most promise. In both cases he has made full use of his concept of "glasnost" - "openness" - to secure acceptance of his policies at home and approval for them abroad.

3. Many of these initiatives and "probes", especially those in foreign affairs, East-West relations and defence, made good political, economic and military sense. They have played a successful part in the creation of a new "image" of the Soviet Union as a country ready and willing to collaborate with the West instead of being always "the enemy". Soviet readiness to embark on new-style arms control negotiations - the START talks in Geneva and CFE in Vienna - including acceptance of some traditional Western priorities and unilateral Soviet force reductions are also explicable for military, economic and "image-building" reasons. In addition, Gorbachev's decision to "tame" the Soviet Armed Forces in ways in which none of his predecessors had even considered was not only "revolutionary", but apparent proof of his self-confidence and authority at home as he pressed on with his programmes of reform.

4. Most of these reforms, therefore, can be explained by reference to Soviet reality, as Gorbachev sees it, and have been welcomed by Western observers. There are, however, a number of other "reforms" relevant to East-West relations which Gorbachev has initiated for which his motives are less clear. Some, indeed, appear to have opened up dangers to the rest of his reform programmes, and, perhaps, to his survival as Party leader and Head of State. These include his policies towards the nationalities within the Soviet Union. It seems likely that Gorbachev's original motive in approaching nationalism in the Soviet Union - particularly in the Baltic States - stemmed partly from a desire to build up support for his policies among the "intelligentsia" of the Republics - a long-neglected element of the Soviet population which enjoyed a history with European roots and traditions. He was, after all, appealing to the same groups within the Slav population of the Soviet Union in his struggle against bureaucracy in favour of "perestroika" and "democratizatsia" - "democratisation".

5. That he miscalculated on some of these approaches - as in the Baltic States - or that his original policies were overwhelmed by external factors, including natural disasters - as in the Caucasus - is at the centre of Soviet internal affairs to-day. Gorbachev's original "green light" to the

"intelligentsias" in Lithuania, Latvia, and Estonia was understood by many in those Republics as some form of approval for loosening their ties with Moscow, politically, economically and ideologically, to a point where constitutional secession from the Soviet State might be considered. Gorbachev has never accepted this option, and has had to take personal charge of measures to prevent it - such as his recent visit to Lithuania where the process was most advanced. Gorbachev wants to keep all three Republics inside the Soviet Union; though he may agree to devolve a degree of political power and legislative and economic practices to these nationalities, and perhaps even withdraw Soviet forces from their territories as part of a deal to maintain them as integral parts of the Soviet State.

6. As for the tragic events in the Caucasus, it seems clear also that Gorbachev's "green light" there was partly responsible for the decision by historic enemies - Azeris, Armenians and Georgians - to resume their age-old ethnic and religious conflicts: and to try to head off Moscow's attempt to halt the unhappy process by force. After some visibly brutal intervention by the Soviet internal security forces - the Troops of the Ministry of the Interior (or MVD) - in Georgia last year, Gorbachev accepted the necessity of using the Army to put down the series of insurrections in the region. He will probably succeed in the short term, but the legacy of ethnic bitterness which seems inevitable, and the damage done to "perestroika" and his domestic reputation may do harm to his international image as well.

7. What may be relevant to the present East-West situation is the possible link between Gorbachev's original thinking on his nationalities policy at home and the role he has apparently played in recent events in Eastern Europe.

Gorbachev came late into the East European field - for very good reasons from his point of view. In 1985, all his allies in Eastern Europe, East Germany, Poland, Czechoslovakia, Hungary, Romania and Bulgaria were ruled by elderly, well-established leaders who had their countries under firm Communist Party control, and were linked closely to the Soviet Union through the Warsaw Pact, COMECON, and the common ideology of Marxism-Leninism. Gorbachev visited all of them in 1986-87, and probably returned to Moscow ready to formulate "probes" towards each country in Eastern Europe designed to encourage them to break with their past, as he had done with his past in the Soviet Union, and, with the help of their national "intelligentsias", replace the old regimes by governments willing to adopt "pluralistic" parliamentary systems, "glasnost", according to their own traditions, while retaining a "socialist" system, with continued membership of the War Pact, COMECON, and some form of effective allegiance to the Soviet Union.

8. Gorbachev's plan appears to have been launched first in Hungary, where he encouraged the Party to move towards political and economic reform, and intimated that he intended to withdraw Soviet troops from Hungary and to disband the Southern Group of Forces stationed there. He seems, indeed, to have had some kind of idea of turning Hungary into a "shop-window" for his new Eastern Europe. There are also indicators that Gorbachev approached the Bulgarian Party, too, with plans to replace the "Old Guard" in Sofia with new leaders - still dedicated to "socialism" in their political beliefs. But before Gorbachev could press on with these ideas, events in Eastern Europe moved forward under their own steam, and to some extent wrested the initiative from his hands. The re-emergence of "Solidarity" in Poland forced Gorbachev to accept a Polish government led by a non-Communist elected ruler: Tadeusz Mazowiecki. The government in Budapest took heart and unilaterally opened the Hungarian-Austrian border, allowing thousands of Hungarians, East Germans and Czechoslovaks to cross to the West: the first catalyst in the emerging crisis. This was followed by a new government in Hungary with powers to introduce political and economic reforms, which now seem to be under way.

9. From this point on, events moved rapidly towards the disintegration of much of the established Communist regions in Eastern Europe. The East German Politburo resigned on 3 November 1989 after widespread popular demonstrations in Leipzig and Dresden - the second catalyst, as it turned out - and a message from Gorbachev that Soviet troops would not intervene to save the regime. Bulgaria

duly deposed its long-time Party chief, Todor Zhivkov, and made some moves towards liberalisation while retaining senior Communists within its new governmental structure - who may, incidentally, have picked on a nationalist issue (that of the Turkish minority in the country) to hinder further reforms. Czechoslovakia followed suit, again with large-scale demonstrations, leading to the resignation of the Communist leadership on 24 November, and the establishment, after complex negotiations, of a interim regime under Vaclav Havel and Alexander Dubcek which plans to govern the country until free elections take place in April 1990. Finally, Romania, then in the grip of Nicolae Ceausescu, the most tyrannical dictator of all, obsessed with a truly Stalinist "cult of personality", erupted in violent revolution while the dictator was paying court to the Ayatollahs in Iran. The revolution was led by the very "intelligentsia" wooed by Gorbachev at home, and was later supported by the Army, which appears to have changed sides after the murder of the Minister of Defence, General Milea, on Ceausescu's orders. Ceausescu and his wife were seized, tried by court-martial and shot; but his own security forces fought on until overwhelmed by the Army and the revolutionaries. Romania, while mourning up to 7,000 dead, has tried to restore some form of government to run the country until elections promised for April this year; though prospects for political stability in the short term due to lack of experience among the revolutionaries and the possible presence in important posts of middle-ranking members of the old regime.

10. The unmistakable result of these dramatic events for Gorbachev must be that what may have started in his mind as a reform programme for Eastern Europe has been overtaken by national developments, and in many areas is out of control. To be sure, there do exist some elements which may turn out to be positive for Gorbachev. The process of "image-building" in the East European countries, and marginally for the Soviet Union, may benefit from the disappearance of the "old-style" Communist-dominated regimes, and their replacement by one or other variant of popularly-elected governments, some claiming "socialist" credentials, even with former Communist Party members on board. These new governments will seek, and may obtain, substantial Western

economic aid, which could also benefit the Soviet Union in its on-going economic crisis. The Soviet Union may gain credit from the fact that it did nothing to support the old regimes, politically or militarily, and has accepted the new, sometimes revolutionary and anti-Communist administrations which are coming to power in all six countries. It is interesting to note that anti-regime demonstrations have even taken place in Mongolia, and there have been unconfirmed reports of disturbances even in Albania: so the process may not be completely at an end.

11. On the negative side, the Soviet Union has to work out how to manoeuvre the new governments into maintaining some form of alliance or association with the Soviet Union, politically, militarily and ideologically under the general heading of "socialism". The Soviet Union has to seek continued support from them for the retention of the post-war frontiers in Eastern Europe, including the thorny question of the two German states: in this connection, Soviet statements stress that none of the new leaderships, including the East German, are in favour of frontier changes in the foreseeable future. Soviet spokesmen have said that new frontiers - and therefore a unified Germany - could be considered in the framework of the Gorbachev concept of a "Common European Home", without Blocs or Alliances - but not until then. The Soviet Union has also to consider the economic effects of the revolution on the work of COMECON in the co-ordination of Soviet and East European economic development and future relations and trade between the East European countries and Western Europe, the EEC, and EFTA.

12. More urgently, however, the Soviet Union has to embark on realistic contingency planning on the future of the Warsaw Pact. Over the years the Soviet Union enjoyed the advantages of a tightly-knit, well-organised military alliance controlled by the Soviet Armed Forces' High Command, with major Soviet military groupings deployed forward in East Germany, Poland, Czechoslovakia and Hungary. The possibility now exists, however, that as a result of the changes in Eastern Europe, the East European members of the Alliance will increasingly call for its disbandment or, at least, the withdrawal of some or all of the

Soviet troops stationed on their soil. For the time being, the Soviet line on this issue is to recall that although it was the Soviet Union which first offered to disband their Alliance in return for that of NATO, in the present circumstances, the continued existence of both organisations would contribute to European stability. Meanwhile, each Alliance should de-emphasise its military element, and concentrate on political goals. Both should reduce their forces unilaterally and reciprocally by negotiation, primarily through the current talks on Conventional Forces in Europe (CFE-1), and increase inter-Alliance confidence by regular exchanges of visits by senior officers, by military conferences on defence issues - such as military doctrines, now being discussed in Vienna, and by continuing to adhere to the conditions agreed in the CSCE Treaty on inspections of each other's military forces and establishments. Thus, if all goes forward according to Soviet plans - as far as they can be predicted - the military forces of both Alliances will be steadily reduced, but both will remain in being with Soviet and American troops stationed on the Continent for the foreseeable future. Total withdrawal of all foreign forces should await the outcome of talks on a "new" European Security System - perhaps initiated by an early CSCE Conference - and, in the Soviet view, - the establishment of the "Common European Home".

13. It seems likely, however, that Gorbachev must also have initiated some form of contingency planning in case one or more of the Warsaw Pact countries insists on the withdrawal of Soviet troops from their territory or on leaving the Pact altogether for whatever reason. On a purely speculative basis, it would then be Soviet practice to engage in delaying tactics. The Soviet Union would first use every argument it could to persuade its allies to remain in the Pact and to agree to the continued stationing of some Soviet troops: for example, in a still separate East Germany, Poland, and possibly, Czechoslovakia - perhaps in one reduced Group of Forces. This might be sought under the terms of a CFE-1 agreement with the West. As a "fall-back" position, the Russians might accept an agreement to maintain a small, purely defensive contingent in Western Poland: perhaps linked hypothetically to a future German "threat" after unification. But if East European demands included complete withdrawal of Soviet troops, Gorbachev would comply, and re-deploy his "Western

Group of Forces" behind his own frontiers. These troops might be deployed defensively and in considerable strength, but would be trained for "counter-offensive" operations, and would be available for operations in Europe should the need arise. Politically, at least, Gorbachev will work hard to ensure that the Warsaw Pact Treaty remains in being, and will use its provisions, political and, if possible, military, to keep some form of Soviet "presence" in the East European countries. But if a situation involving total Soviet withdrawal were to come pass, the West might,, as a high priority, have to do its own contingency planning for the "military vacuum" which would be created in Eastern Europe after the Soviet forces had left: a topic, perhaps, which might be discussed in the West as the two sides plan for the follow-up CFE-2 talks in the months and years ahead.

Chairman NUNN. Thank you very much, Mr. Mackintosh. I appreciate all of our witnesses' splendid testimony. You have given us a lot to think about.

Let me begin my round of questioning by starting with the Mackintosh point that was made just a moment ago and get the reaction of Dr. Kaiser and Ambassador de Rose to that; that is, quoting him, "if East European demands include complete withdrawal of Soviet troops, Gorbachev would comply and redeploy his Western group of forces behind his own frontiers."

May I get, Dr. Kaiser, your reaction to that? Do you agree?

Dr. KAISER. I think the Soviets will resist and try to retain at least a small contingent either in East Germany or in Western Poland. What might in the end, however, result in a total withdrawal, faced with what I regard as an inevitable pressure from these allies, will be the evolution of the European situation and the internal situation. Let me explain.

If the process of a decrease of the threat and of the tension in Europe continues, if you extrapolate that trend, CFE II, some harmonious development on the German question, arms control negotiations on nuclear weapons, it would be a very different Europe. The rationale for keeping those troops is not very good, particularly if at home in the Soviet Union the process continues whereby the cost of staying there appears even more unbearable than today.

So provided certain conditions are fulfilled, I think this is a development one can imagine.

Chairman NUNN. Ambassador de Rose, what do you think of that, the question being whether you believe that the Soviets will withdraw their forces if required or asked to leave by the East Europeans, the East Germans in particular?

Ambassador de ROSE. I think if they are asked to withdraw their forces, it will be very difficult for them to keep them. They may try or they will probably try to put it within the framework of an East-West agreement.

As I said, I think the only legitimacy for their remaining in Eastern Europe is no longer the Warsaw Pact but a possible agreement between East and West on the level of forces that are to be kept on both sides. Suppose that an agreement on that point takes place.

It would be part, first of all, of the European political picture.

It would be part of the CSCE conference as one element on which to base the future.

I think it is probably the only chance they have to retain some of their forces and probably one that the Eastern Europeans themselves would be hard put to challenge because it would be part of a settlement by which the forces would be considerably reduced because it would be part of a peace settlement or a piece of a settlement making the European situation move toward less competitive, less aggressive confrontation. It will change the present situation, which is one of confrontation, to one of agreement by the two alliances.

In my opinion, it is probably something that the West should not try to put an obstacle to at least as a first measure. As I said, we are in a transition period. It is certainly not possible now to say what the situation in Europe should be 10 years from now. If we are able to say what it should be during the coming years, immediately coming years, and with an evolution toward that kind of settlement, then I think we would be on the right track.

Chairman NUNN. Thank you.

Dr. Kaiser made three or four points in closing. One, I know, is the relationship of the European Community and restriction of national sovereignty, and you made three or four other points. I did not get them all down, but what I would like to do is if you could just go back over those points toward the end of your testimony where you sort of capsuled what you thought had to happen or needed to happen. I would like to get the reaction to that of Ambassador de Rose and Mr. Mackintosh.

Dr. KAISER. An approach to deal with the German problem should proceed on various levels, and the first one I mentioned is the European Community. There, I see four different areas of action: First is the completion of the internal market by the beginning of 1993; second, pursuing an economic and monetary union, particularly the monetary union on the basis of a common bank and a common currency; third, the admission of East Germany through membership of the Federal Republic of Germany provided, of course, the East German Government or parliament to be elected in——

Chairman NUNN. That is the particular one to which I would like a reaction.

Dr. KAISER. Provided that the East German freely-elected government wants to pursue it. Then fourth, that this Community pursues an openminded policy of aid and support to the East European countries.

Chairman NUNN. I would like the reaction to that and one other point you made. I am not sure that I got the sequence of this correct, so you may correct me as we go along. Basically, you were saying that you foresaw perhaps some continuing small Soviet presence in East Germany, a continuation of the East German military being part of the Warsaw Pact for the near term, but basically a reunified political and economic Germany, and West Germany continuing in the NATO alliance as well as a continuing U.S. troop presence there. I would like to get a reaction to this.

I believe you also threw into that, if I heard you correctly, that you foresaw the foreign troops in West Germany, United States and others, moving back and the West German troops being the forward forces. That is particularly what I would like to get the reaction of the Ambassador and Mr. Mackintosh on.

Ambassador de **Rose**. On the first point, if there are free elections held in Germany and in East Germany, then the question will be what form will assume, what constitutional form will be that of a future Germany.

If it is one centralized state with one government—and I mean the whole mechanism of government, centralized state—Germany is not a centralized state as France is—but if Germany, the whole of Germany was in the position that the West Germany now is, then we would have one state.

I mean, the Chancellor in his speech the other day in Paris made a point. He said that he reproached the East German Government over the 40 years to have eliminated the former states of Germany such as Saxony or Prussia and so on. And he said I come from—I am a Rhineland German. I am a German, and I am a European.

And so if Germany, East Germany would resume that former and traditional organization, but be united under one central government responsible for foreign policy, defense and currency, then I think the adherence of the whole of Germany, there would be no problem for that complete Germany of say, the 78 million people, to be a member of the community.

Chairman **Nunn**. What Dr. Kaiser was saying, he has visualized a transition, as I understand it, where that relationship you just described does not happen to begin with but, rather, there is a political and economic reuniting of Germany, but not a military and foreign policy reuniting, and that the military of the East Germans with some Soviet presence stays in East Germany during this transition period with the Western forces who are non-German moving back from the border.

That is what I would like to get your reaction to because it seems to me that he is talking about a bridge here between some of the longer term plans and ideas and where we are now.

Did I quote that anywhere near correctly? Is that right?

Dr. **Kaiser**. Yes.

Ambassador de **Rose**. I never thought of the suggestion. I think it is an interesting one.

It would mean, then, the West German forces being moved, all moved forward, and the allied forces—that is, the American, the British and the French—being moved backwards in West Germany.

But what I did not get, is whether this would take place in a completely unified Germany or in one where there would be still two German states. Because if there are two German states, then there is a question of the Soviet forces in the eastern part of Germany.

Chairman **Nunn**. Dr. Kaiser.

Dr. **Kaiser**. This process can only take place further down the road of disarmament. It could not start at the beginning. In other words, it presupposes not only CFE I, but the beginning of CFE II, that is to say, a substantial reduction of the stationed forces. Otherwise, it does not make sense; and a change of the political climate between East and West.

In that context and with a possibly then already concluded economic unification which has political consequences for the two German states, we will have a situation where the two German armies will not shoot at each other, which is clear. And if then there were a Soviet contingent substantially reduced under the agreement, that would be used by a post-Gorbachev leadership for some offensive operations, it is then the East German troops who will probably resist such an attempt.

Chairman **Nunn**. My time has expired. Do you want to respond to that, Mr. Mackintosh?

Mr. **Mackintosh**. If I may just say, Mr. Chairman, that I believe that from the Soviet point of view they see two, as it were, patterns of evolution going on, one of which they believe can be managed in some form or another, more or less, favorably to them, and that is the continuation of the CFE process, CFE I leading into CFE II with the existing frontiers, with the existing structures within Western and Eastern Europe and with Soviet troops, small numbers of Soviet troops in East Germany.

And continuing that slow process through a whole lot of East-West negotiations until some new security system is agreed between East and West, after which it is very difficult to predict what the Russians are thinking about.

The other thing, of course, the other pattern is the one which may indeed happen, and that is the two Germanies decide to come closer and closer together and unite politically, economically within the European Economic Community and so on in which there is no place for Soviet troops in any shape or form in any part of the newly united Germany.

And I would say that this case is seriously being considered by the Russians who tend to look at worst case scenarios anyway and think and plan for them. In that case, if it did happen, and also if Soviet troops are asked to leave Czechoslovakia, Poland, and certainly Hungary from which they are already leaving, I think the Soviet Union would fall back to a kind of last ditch situation and say to Germany and to the other countries in Eastern Europe: all right, go ahead, set up the situation. Set up the situation you want and unify Germany if you so wish, and we will pull back our forces and let you get on with it.

Chairman **Nunn**. Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

Gentlemen, this is indeed a fascinating hearing. It is most beneficial to the complicated process that confronts the Congress of the United States working in partnership with our President to provide for the security of this Nation and the collective security with our allies.

As you gentlemen know, being observers of the legislative branches, not only here but at home, there is on the one hand forces in our institution who want to bring back the troops, limit the presence of the United States in the hopes of incurring what we call the peace dividend.

Others, including myself, will try their very best to stabilize the reconfiguration of the forces of our Nation in accordance with the progress made in the various arms control fora in Europe.

But I happen to believe that Mr. Gorbachev is going to do what he can to destabilize this balance within the Congress and elsewhere, and if we think back a year or two ago, he was a champion in public relations, and we have not heard a great deal from him. He has not scored any great successes as he did to try to begin to ferment disunity in the West for some time. His hands have been for.

And this brings me to the Warsaw Pact. The cumulative testimony of several days now leads one to the conclusion that it is rapidly becoming what we call here in the United States a hollow army. There may be the troops present, but the troops do not have the incentive to fight. And it is questionable, as you said, Dr. Kaiser, whether the lines of communication, the lines of control of those troops are in place anymore to give the orders to fight.

What is the likelihood that Mr. Gorbachev will recognize that since it has become a hollow concept, he will just throw it on the table and say let us disband it and then point his finger toward NATO and put pressure there to try to likewise disband that?

What is the value left to the Warsaw Pact such that he could not use it as a trump card, perhaps, to go after NATO?

Dr. KAISER. I presume President Gorbachev will behave as the head of government and state of a major power; that is to say that he will try and get as much out of such a process as he pursues it.

If there is internal weakness that forces him to do certain things, he will try to get the other side to give him something in exchange. And Mr. Mackintosh may be in a better position to answer that.

It seems to me if he were to indulge too unilaterally in that process, he is going to get into difficulties with the conservative opposition at home. So, he has to prove at home that he gets something in exchange.

That is why I see this happening only in the context of some negotiation process between East and West at various levels, meaning Vienna, and CSCE, possibly the occasional bilateral contact, of course, between the United States and the Soviet Union.

Senator WARNER. Mr. Mackintosh.

Mr. MACKINTOSH. I believe that—I accept what Karl Kaiser says, and I am not absolutely certain that in the way things have developed so far in Eastern Europe that there is, as you might say, a hard-line school of thought in the Soviet political leadership, which would like to actually cancel the whole thing and keep Soviet troops as they are in the countries where there are—East Germany, Poland, Czechoslovakia, and Hungary.

I think that things, events, have overtaken that. I am not sure, but my feeling is that Gorbachev and the Soviet leadership are dedicated to the idea that, when things appear to be running out of their control or even out of their significant influence, it is better to try to keep the factors of stability which can be identified as such in being: frontiers, presence of the forces, and so on.

And my feeling is that Gorbachev's instinct is to believe at the present time and the way things are developing at the present time that he would rather see a significant United States military presence in Western Europe, not I would suggest a hollow army, but a significant——

Senator WARNER. Might use the hollow army with respect to the Warsaw Pact forces, not the NATO forces. I very strongly believe personally that we should keep a strong NATO presence.

Mr. MACKINTOSH. I believe that Gorbachev at the present time, when events are moving so fast and in a sense out of control and he cannot predict where they are going, would rather stick with what he has got.

Senator WARNER. In other words, the consensus of your views are that he will retain the Warsaw Pact even though it is a symbolism?

Mr. MACKINTOSH. I would personally believe that.

Senator WARNER. And not try to disband it as a leverage to go against NATO? Ambassador de Rose.

Ambassador de ROSE. Well, I think that as my colleagues do that it is very unlikely that Mr. Gorbachev will be agreeable to the idea of sacrificing his trump cards or cards even if they are not trump cards for nothing. He will certainly try to negotiate that. I would probably subscribe to what Mr. Mackintosh just said, that he probably thinks that it is better to keep a NATO—a presence of the United States forces here.

The Soviets do not like to overthrow the apple cart, and I think that enough apples have fallen around lately for them.

Senator WARNER. Let me pursue another line of questioning then.

Ambassador de ROSE. But may I add one thing, Senator?

I think that if he has a feeling that there is pressure in the United States to withdraw forces unilaterally without any compensation, then, of course, he will use it.

So, I think it is very important that he knows that he will not get what he may want for nothing and that he will not be faced with a situation where there would be unilateral withdrawal of the United States forces unless there is an agreement in the Vienna talks or in bilateral talks.

Senator WARNER. Let me press to another point, and that is the future role of NATO. And I draw on a phrase that I copied down here. The events in Eastern Europe are being controlled by people not governments.

Given that formula in the Eastern bloc countries now—and I accept that having had the opportunity to visit there at a critical time this fall and observing with my own eyes what was taking place.

Supposing dissension breaks out between one or more East European countries over borders, religious problems, maybe of the magnitude that we are witnessing in certain areas of the Soviet Union today. Who comes in to adjudicate those problems?

If it is people, they are not likely to call on Gorbachev to come in and adjudicate or resolve or even add force to try to control the problem? Who steps into the instability that you opened up within your first comment, Dr. Kaiser? You said every change can lead to instability. Who is to police and try to help those bring about order out of the instability that is likely to occur?

Dr. **Kaiser**. Senator, if I read the signs correctly, in the allied countries of the Soviet Union there is a strong desire, probably best formulated so far by the Poles, to reform the Warsaw Pact into an alliance of sovereign countries, most of them democracies, with genuinely shared decisionmaking—a command structure which is multilateral.

I presume that under such circumstances they would try to involve such a grouping in mediation, but not through Soviet hegemony but under circumstances where the members agree.

Senator **Warner**. You mean they would form their own independent coalition of the Eastern bloc countries to present, then, a third force: NATO, the Soviet Union and this new confederation for security purposes?

Dr. **Kaiser**. I am not arguing at all in favor of a development which suggests that the Warsaw Pact would turn into a political body. That is out of the question. The contrary trend can be observed.

But at least for a transitional period if, for example, there are conflicts—and there are some ethnic conflicts between countries, given minorities. Take the Romanian-Hungarian case, that if that conflict becomes dangerous that the political—then political Warsaw Pact may play a role in mediating.

But I think the times of Soviet intervention settling the matter, I think that is over, and I presume even under a changed leadership in the Soviet Union one could say that the Red Army which once conquered Europe, defeating Hitler Germany, cannot reconquer democratic allies.

Senator **Warner**. Could the other two gentlemen respond? Who will provide the internal security for disputes between the new Eastern bloc democracies?

Mr. **Mackintosh**. I agree very much with what Karl Kaiser said. I would simply add that the disputes, the potential disputes that I can identify—I am trying to run through them in my memory—are in the Balkans, in southeastern Europe; all of them—for example, a conflict between Romania and Hungary and perhaps Bulgaria and Romania, and even bringing in Yugoslavia, between Bulgaria and Yugoslavia and others, would be seen by the other East European countries—East Germany if it still exists as an independent state, Poland, Czechoslovakia, Hungary, certainly the first three—as something in which they would not want either the Soviet Union to intervene or NATO.

I believe that they would either set up a kind of task force, a kind of diplomatic task force among themselves—and they have a good deal of machinery through the political side of the Warsaw Pact, the political consultative committee and so on, to set up such a force—to go to the crisis area in person, and if that failed I would suggest that their nearest approach to bringing in somebody from the outside would be to suggest an emergency CSCE conference.

Senator **Warner**. Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Warner. Senator Exon.

Senator **Exon**. Mr. Chairman, thank you very much. Let us return to the Pacific for just a moment, if we could, Mr. Nishihara. Doctor, how do the Japanese view the stability in the Pacific absent American bases in the Philippines, specifically at Clark and Subic Bay?

Dr. NISHIHARA. If there were no U.S. bases in the Philippines, I am not sure if it has immediate impact, but it does affect the balance of power in the region. At the moment, U.S. military presence in Japan, Korea, as well as in the Philippines, does serve as a source of stability for the region. Therefore, it does give a signal to potential adversaries, or those forces might challenge the balance, or they might be more encouraged by this.

Not only that, but I should also mention that U.S. Fleet forces also provide a balance in favor for the Indian Ocean as well. So if we look at the Asia-Pacific region in a wider geographic context, I think it is very important for the United States still to maintain its forces in the Philippines.

Senator EXON. Well, Dr. Nishihara, I think most of us agree with that statement, doubly with the instability we have right now there, and the degree of nationalism. I guess that what you are saying, then, is maybe the instability in the Philippines right now is causing some concerns about the stability of the South Pacific.

Are the Japanese continuing to make significant investments in the Philippines or are they holding back somewhat now, because of the political instability there?

Dr. NISHIHARA. In the Philippines? The Japanese have just committed to this Multilateral Aid Initiative to the Philippines, and I think that we just finished the first round of negotiations. The government has made a rather clear commitment to provide a greater economic aid.

I think the Japanese Government, and also the Japanese, will think that providing economic aid would help to enhance the political stability, and I think this is the interest that Japan feels in helping the Philippines economically, and I think private investment has also been going on for some time, until this recent coup attempt by the Philippine forces.

Now, probably for a few months the Japanese businessmen might feel it is not an encouraging sign, but I think if the situation should improve, the investment by the Japanese private groups is likely to increase again.

Senator EXON. Thank you.

I have listened with great interest to our European experts and you have been very helpful, gentlemen. I thank you for your testimony.

When I was thinking about all the difficulties that we are facing in Europe today, with our euphoria over what has happened, it is great, but there are lots of problems upcoming.

Dr. Kaiser, you talked some about the European Common Market and the unification of that market to encompass all things by 1992, as I understand it, and the possible difficulties of how you would handle East Germany now with these kinds of things. Back home, is this causing some difficulty?

We should recognize that there are concerns back here, as well as over there, as to what is or is not going to happen. Our Secretary of State, for example, our Secretary of Agriculture, for example, and our Trade Representative, are looking forward to the upcoming GATT rounds in an attempt to eliminate what is generally referred to as very high subsidies for food production, agricultural production in the Common Market countries, and that is going to be even more intensified, I suggest, in 1992 and thereafter.

As European experts, what chances do you think there are, if any, of eliminating or substantially reducing the government aid to food production and agriculture in Europe which has been a central part of your stability in agriculture and food production for a long, long time?

Dr. **Kaiser**. On this issue, there is no unanimous opinion within the European Community. You will remember that some countries even had a different opinion. The British had a very different agricultural policy compared with the other members, but there is one very important ally for reform, and that is the financial aspect.

The trend of the Community is toward decrease of subsidies, and if you look at the reform carefully that has been undertaken during the last years, you will see it all over the place in various instances, that the degree of subsidization is slowly going down, and I presume that is the long-term trend.

Personally, I am a strong supporter of the idea of getting agriculture back into a more competitive shape. I think it is not to be justified in the long run that the Community spends two-thirds of its entire funds on maintaining a specific type of agriculture.

So within the Community at the intellectual and political level there is a great deal of pressure to reform, and in that sense I personally regard the policy that is pursued by the United States on this issue as perfectly legitimate, and I presume the pressure from outside will increase the pressure from inside to reform the system.

But for the same reasons that you in this country will not immediately remove subsidies from agriculture which you have as well for political reasons, Europeans cannot do it fast, but I think the process must be maintained.

Senator **Exon**. Ambassador de Rose.

Ambassador de **Rose**. I have no views on that question.

Mr. **Mackintosh**. I have nothing to add to what Karl Kaiser has said.

Senator **Exon**. I will just say I guess it is safe to say, then, that we should not anticipate a major breakthrough in that area in the upcoming GATT rounds. Would that be a fair statement?

Dr. **Kaiser**. It will be a slow evolution, and we must keep in mind that at the moment, as a result of all of the aid programs, almost all the surpluses in the European Community in the agricultural field are gone, and the Community has to purchase agricultural products from the United States in order to send foodstuffs to Eastern Europe.

Senator **Exon**. I guess I might editorialize a little bit by saying that while this is a worthy goal to pursue, it is possible that we can work out something down the road. But meanwhile, back at the ranch or on the farm in America, we had now better plan our agricultural policies in the United States for the next 2 or 3 years depending on any significant change in Europe. Is that a fair editorial comment?

Dr. **Kaiser**. I think so, yes.

Senator **Exon**. Thank you. Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Exon. Senator McCain.

Senator McCain. Thank you, Mr. Chairman. Mr. Nishihara, I would like to talk about U.S.-China relations for a second. I am sure you know of the vote that took place yesterday in the House and the one that is upcoming. What impact do you feel that will have on U.S.-China relations if this legislation is passed?

Dr. Nishihara. I do not want to influence the voting itself, but I would like to say something about it. I think that if the vote were successful in overriding the Presidential veto, this gives a signal to the Chinese that there is a weak Presidency in this country today, and I am not sure if that would really serve the interest of the United States.

I am also told that even if that vote were to be overridden, still the Chinese students here will be able to stay beyond 1 year, so I do regard a Presidency which looks strong as a very important factor in establishing stable relations with the Chinese.

Senator McCain. Would you also draw a conclusion that the hard-liners would be encouraged in China in the event the President's veto were overridden?

Dr. Nishihara. That is a chance. I think China will be encouraged to go more internalized, and I think this is not in the interests of not only the United States but also other countries in the region, including Japan and Southeast Asian countries. I think we would like to see China not to be isolated.

We are in a dilemma, sure, that we would like to see more human rights to be respected but at the same time we would like to see the relations with China to be more stabilized. Somewhere we have to navigate very carefully between the two, but I would like to see the communications with Chinese to be kept open. The sanctions are fine, the sanctions on terrorism, economic loans, are fine but I think political communications with the Chinese should better be maintained, be kept open.

Senator McCain. It is your view that it would send a signal that we have a weak President?

Dr. Nishihara. Well yes, if that overriding were done.

Senator McCain. Thank you. Thank you very much. Along those lines, would this also encourage the Chinese to continue to supply arms to the Khmer Rouge, or would it have no effect?

Dr. Nishihara. I do not think that has any effect. It seems to me that the Chinese have their own way of carrying their logic. Their support of the Khmer Rouge by arms would have very little to do with the current relations between the United States and China over these human rights issues.

Senator McCain. Thank you.

Mr. Mackintosh, if the Warsaw Pact is no longer our enemy, would there not be significant and increasing public opposition to the maintenance of short-range nuclear weapons, which could only strike Eastern European countries?

Mr. Mackintosh. I speak personally on this.

I think there would be. And I think that the question of retaining that type of range of weapon and the modernization of the existing system within the same ranges, or approximately the same ranges and targets, would be strongly opposed by a lot of people—if the targets could only be, as it were, in the countries where we are seeing such encouraging developments politically.

Senator McCain. Do you agree with that, Dr. Kaiser? And does this not pose, if it is true, something of a dilemma for us?

Dr. Kaiser. Senator, in May 1989, NATO formulated a comprehensive concept for nuclear weapons. And at that point said that different types would be needed and the formulation was "under the present circumstances" and "in the foreseeable future."

Those circumstances have substantially changed, and what was unforeseeable then has happened.

So I happen to agree with Malcolm Mackintosh that under those circumstances I find it extremely difficult, if not impossible, to think exactly in the terms we debated earlier last year.

Short-range systems inevitably recall in the heads of people that they are going to be directed at targets in democracies that are no longer our enemies.

Imagine the situation between East and West Germany in a process of unification.

Now you could argue missiles will be directed at Soviets if it happens. But they will be targets in those countries nevertheless.

In other words, as the situation evolves we should concentrate on different approaches that make it unnecessary to use short-range weapons as the main basis for extended deterrence and first use.

We should rather have systems that can reach the Soviet Union, longer-range, stand-off weapons on planes, possibly schemes that would allow a redeployment to Europe in times of crisis, without leaving them there permanently.

It seems to me the days have come that the short-range systems, such as nuclear artillery, are counted.

Mr. Mackintosh. Thank you.

Thank you, Mr. Chairman.

Senator Levin. What was that?

Dr. Kaiser. That they are counted. They are over. I think we cannot retain them very long for political reasons.

Chairman Nunn. I would like to pursue this just a moment, because I think it is very important. Senator McCain has put his hands on a very important question, I think.

We have got the Follow-on to Lance in our budget. It appears to me that it is very questionable whether we ought to put any more money in that in a tight budget year.

I could not conceive, even before all of these events, when our German friends were telling us there was virtually no possibility of that being deployed because of political opposition, of a situation that would allow that to go forward.

The other question I would have, though, and I put that one in the form of a question for Mr. Kaiser, do you think it is time, particularly since the Soviets have such an overwhelming advantage in the land-based short-range systems now, which is sometimes overlooked, is it time for us to say, look, the situation has changed and we are ready to go for a third zero?

But other nuclear weapons, stand-off weapons, that are not land-based, such as air-delivered weapons, would not be covered, and we could think in terms of dispersing those airplanes throughout the alliance and perhaps some offshore.

So I am asking a fundamental question, is it time for us to rethink the whole question of the third zero?

Dr. **Kaiser**. We should rethink the matter, Senator. But not necessarily in the form of a simple third zero for the following reason.

We could think of ways and means to separate warheads from carriers and keep warheads in the United States and carriers on the front. It is something we have not thought through.

I agree that a Follow-on to Lance is politically impossible in the Federal Republic of Germany. No conservative government, let alone a social democratic government, is going to do it under the present political circumstances.

There is another dimension to be kept in mind, and that relates to the START negotiations. There is the possibility of assigning tactical purposes to nuclear-tipped cruise missiles in a future minimum arrangement.

But, no doubt, the pressure to come to negotiations, to get rid of that present superiority of the Soviet Union in short-range weapons will increase, particularly under the political circumstances. As these evolve there is great interest in, definitely, the Federal Republic of Germany, but also other European countries to work at eliminating Soviet SNF superiority.

And as was decided by NATO last year, we will do it as the CFE negotiations are successful.

Chairman **Nunn**. Senator Levin.

Senator **Levin**. Thank you, Mr. Chairman.

Has your government indicated to our government that it is now impossible for this Lance follow-on to occur? Do you know if that has been made clear?

Dr. **Kaiser**. I am a scholar; I have no special inside information.

Senator **Levin**. Has it been made public that your government has done that?

Dr. **Kaiser**. I do not know of any formal communication in the public domain to that effect. We have a discussion, although not a very strong one, because obviously the public debate focuses on other issues than on modernization now.

Senator **Levin**. I agree with our chairman, it seems to me it is just totally unthinkable that we are now going to put a lot of money in Lance modernization in our budget when it becomes a political impossibility in Germany to do so.

I hope that that message gets to our Secretary of Defense not just through whatever people on this committee or in this Congress want to give him that message, but from your government to our government if in fact what you say is the political reality, and that is something that your government shares.

But I will just say that out loud.

Dr. Kaiser, a question on Secretary Baker's four-point program for German reunification. One of those points was that the unified Germany occur in some kind of a connection to NATO.

And I am wondering what the reaction was in Germany to that particular point, since that seemed in some quarters to be a showstopper in a sense?

To put that baldly without the adjective that you used of a reformulated NATO, which is the adjective you used this morning, it seemed to many observers that that was a way not of laying out a road map to a reunified Germany, over time and carefully, but as a matter of fact an impediment to that and a roadblock to that.

And I am wondering what the reaction was to Secretary Baker's four points, particularly the formulation of that point relative to a NATO connection?

Dr. **Kaiser**. There was considerable criticism, particularly in the left part of the spectrum. And one can understand it because the Secretary of State left out a definition of what NATO meant.

So the formulation suggests that a reunification takes place in NATO as it stands today and in the circumstances of East-West relations today.

And that is hardly imaginable. So the work that has to be done now, I presume, in a transatlantic dialogue, is to figure out what kind of NATO would allow for such a development.

And the Secretary General, Manfred Woerner, of NATO, has lately made a number of statements indicating lines of development of NATO, without mentioning the German issue, which would support the evolution of NATO toward a framework that makes it possible and acceptable to the Soviet Union.

Senator **Levin**. I am interested in your statement that there was a lot of criticism of that formulation, because here the media reported almost universally, at least that seemed to be printed in the reported response here, was that there was almost universal accolades inside Europe for that four-point formulation.

And I found when I was there a few weeks ago that indeed there was some consternation, at least in some quarters of our alliance, with the lack of a qualifier to what kind of NATO he was talking about in the absence of an adjective such as a reformulated or reconstituted or some kind of a changed NATO, which would make it possible for a reunited Germany to join and to be acquiesced in by the Soviet Union.

Because that is the key. If it is not in some way done so that the Soviet Union can acquiesce in it, it is less likely to be done in a planned way, and more likely to occur on the streets in a precipitous way, which will make everybody very nervous indeed.

I think, a whole lot of folks would be very nervous if Germany were reunited in a precipitous, unplanned way. And also, in addition to being threatening to many countries, it could be the straw that breaks Gorbachev's back in the Soviet Union, which, in turn, would be a very bad development for the West.

That is not a question, but I would welcome a comment at any rate.

Dr. **Kaiser**. Senator, the speech by Secretary Baker was in fact welcomed. And I have joined publicly also in endorsing other points. Because it made some very important positive points which we should pick up in Europe, notably what he called a new Atlanticism.

But I do not see a threat to others if this, what you call precipitous, and what I would call slightly chaotic, reunification takes place. It could take place within the next weeks and months out of dire need because otherwise the situation will totally destabilize.

If millions leave the East we will have a collapse of order in the center of Europe.

And if that is the only way out, it will probably happen without solving the question of political institutions at the top. That will come later. And it is no threat, it has no military implications and no security implications.

And then hopefully one can develop the frameworks that we have mentioned, such as the European Community or the CSCE process, in order to accommodate it.

Senator LEVIN. You see no threat in a precipitous reunification of Germany, either in terms of other NATO allies being threatened by it, or in terms of the impact on Gorbachev's survival?

Dr. KAISER. No. I do not see that. It would be confined to economic and social dimensions of the two countries getting together. It would not touch the military dimension at all, nor would it resolve the issue of what Francois de Rose mentioned of the constitutional framework between the two countries.

And if I may add, whatever will happen, what Francois de Rose called alternative number one, a centralized system, that is totally out of the question, because our constitutional and political tradition in the western part of Germany is so deeply federalist, we cannot imagine anything but a federal or confederal solution.

Senator LEVIN. Except in East Germany, they do not have that now.

Dr. KAISER. Yes, but it is being revived at this very moment, the old Laender of East Germany are being recreated. In fact, there is consensus among the opposition that they should be recreated.

Senator LEVIN. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Levin.

I have two other questions, one to Dr. Nishihara.

What about the Koreans? What has been the effect—you alluded to it in your opening statement—but what has been the effect of the events transpiring in Eastern Europe, the Soviet's changes both in terms of the European and to some extent their Pacific force posture, what has been the effect in Korea from your perspective, particularly, North Korea?

Dr. NISHIHARA. Well, first of all, political impact on the leadership of North Korea must be rather serious. After they have seen the quick toppling of the Communist governments in Eastern Europe one after another, they must have given some signal to—or sign of worry for the North Korean leadership.

But, however, I do not say that the people in North Korea can be in the same situation as many of the East European countries' peoples were. Therefore, the regime itself may go on for a while, until the time when Kim Il Sung dies. Once he dies, it seems there will be a great chance, a potential chance at least, for a power struggle within North Korea.

This may lead to some kind of chaos. It may be a kind of palace coup, or it might involve some of the military leadership of North Korea. It is hard to predict what is likely to happen. But I think, I see some great signs of uncertainty in the future of North Korea.

This is what you have in mind?

Chairman NUNN. Yes. One other question. Last year in the defense bill there was a mandate to the executive branch from the Congress to undertake discussions with the Japanese about U.S. force posture in that part of the world, whether we needed as much as we have there now, whether there could be some reductions and so forth.

The same mandate was on the Korean situation. We asked them to study and discuss with the Koreans a partial, gradual—emphasizing both words partial and gradual—reduction of forces in Korea, U.S. forces in Korea.

I got the impression during your statement that you, yourself—and I know you are speaking only personally—seem to be implying there is not much consultation going on, and there is a lot of uncertainty in Japan about what the United States plans to do. Did I get the correct impression there?

Dr. NISHIHARA. When I mentioned about the apparent lack of consultation between Japan and the United States, it is not on the Korean peninsula. But I was more—it was kind of a detente situation between the Soviet Union and the United States having a spill-over into the Asia/Pacific regions.

But when you were talking about the Korean relations, I would like to say this: It is in the Japanese security interest to have stable relations between the United States and South Korea. If, therefore, South Koreans should like to see a partial or gradual pullout of U.S. forces from South Korea, it will be not against the Japanese interest.

If South Korea would like to see this gradual and partial pullout of the U.S. forces from South Korea, it is good, because it would give a chance for improvement of relations with North Korea. That should be also in their interest.

Therefore, if such a gradual and partial pullout of U.S. forces from South Korea should meet the interest of both—or I would say all of the three parties, United States, Japan and South Korea—I think that is fine, very acceptable.

Chairman NUNN. Is it fair to say you believe that we ought to have a closer consultation now with Japan about the events that are occurring in the world as to the effect in Northeast Asia?

Dr. NISHIHARA. Yes. I would like to see that. More closer consultations. Particularly, I would like to see if the detente of the United States and the Soviet Union is having some impact in the Pacific—Asia/Pacific region. Yes, I would like to see more consultation.

Chairman NUNN. One other question for the three panelists from Europe. There are assumptions throughout your statements and questions that relate to basically an orderly process—stability, CFE-I preceding the arrangement that Dr. Kaiser envisions as a transition. This calls to question, not the substance of what you have said, but the timing.

It seems to me that based on your assessment of how fast events are moving in Germany, you are basically forecasting a de facto, at least, political and economic reunification, I would say in months, not years. Is that a fair assessment?

Dr. KAISER. Yes.

Chairman NUNN. With that taking place, what do you think of the Soviet position of keeping a large number of forces in East Germany under the CFE talks? Even if CFE is successful, no one I know is predicting them taking place or concluding before fall of this year. With CFE ratification taking place a lot longer after that, the implementation of CFE I would take another 2 or 3 years.

So, we are talking about arms control taking several years to take place. And yet these events are moving very rapidly.

It just occurs to me that things are out of sync. And I do not know how we are going to have arms control keep up with the political events, unless the Soviets basically are going to be granted by the Europeans some sort of pass to keep their forces there, particularly in East Germany, while the arms control talks are going on.

Are we not in danger of having even CFE I, let alone CFE II, overrun by political events? And if so, what should we be doing to perhaps adjust either the pace or the substance?

Dr. KAISER. It is true that the two processes, economic and social integration of the two Germanies, and the CFE process are very much out of phase. And in my opinion, the answer would be to make sure that the other levels available are activated. That is to say, the European community, at the European level. And B, the CSCE process, which requires a very active American role: institutionalization, activation of the various follow-on processes.

That could help to create a framework which avoids negative consequences of the fast developments that occur at the societal and economic level between the two Germanies.

Chairman NUNN. Mr. Ambassador.

Ambassador de ROSE. Yes, Mr. Chairman, I think the CSCE event is extraordinarily important, because it will give a general framework to the discussion with the Soviets. And not only on that score.

I think that, as I said, if it were possible to achieve as soon as possible an agreement as to the level of Soviet forces and American forces to be kept in Europe, not even waiting for the full process in Vienna to take place, but an agreement between the two as to what they are ready to keep and what they feel safe to keep, I think that would be extraordinarily important in the CSCE context, because it would be something which the other participant of the CSCE would not go against.

So, I think an agreement on that point, the sooner, the better.

Chairman NUNN. You are saying perhaps isolate the manpower issues, and even though you do not implement it now and you do not get all the verification, but get——

Ambassador de ROSE. No, you do not get down right now to implementation of an agreement. But sir, you would agree that you want to keep so many.

Chairman NUNN. Right.

Ambassador de ROSE. Which means that the Soviets will have to evacuate that much. And I think it might also perhaps help in the United States to fight the tendency to withdraw unilaterally forces for budgetary or any reason.

I would like to stress also the importance of CSCE in my mind in relation to the question which was raised, I believe, by Senator Warner earlier: what about the conflicts taking place among the European nations such as Hungary and Romania or possibly others. But it is really that one which looks the most important. There is one between Romania and the Soviet Union on Moldavia, but it is unlikely to crop up.

I think that CSCE is really the forum where these questions ought to be discussed. If we can give to CSCE the momentum and the importance of the 35 nations really being concerned with maintaining peace in the European area, I think it will be most important. Because all the others would then be able to exercise a moderating influence to prevent those national and age-long, age-long feuds which will in any case never be resolved to get out of control.

We must give a hope to these people. Actually, they will be beset by problems which will be enormous. Adjusting to the market economy, adjusting to democracy will not be done overnight. But there is a real danger that they will get the democratic institutions and will not get at the same time the improvement in the standard of living which they hope. And then they might become disappointed with democracy. They will feel that democracy fails to bring them the standard of living they hope for. We might have the same reactions in Eastern Europe as in Russia about perestroika.

So, I think we have a lot of work to do to help them to see the light at the end of what is still a tunnel. It will be the responsibility of the European Community more than any other. Of course, the United States and Canada have a lot to do too. But it is the mere responsibility for the European Community to attend to the problems of Eastern Europe. And I think that if we can give them the hope of a real improvement in their standard of living, and at the same time, have the CSCE dealing with their local conflicts in the perspective of a general settlement in Europe, then I think we have a better chance.

Surely, I mean, international relations are not going to turn into a paradise overnight. It will take a long time. They will never be paradise. It will take a long time even to improve the situation. But, at least, we should have two lines.

I often compare our situation to that of mountain climbers who are proceeding in deep fog; we are really proceeding in deep fog. And the thing that wise mountain climbers do when they are in that situation, is to rope themselves to one another. We have two ropes, one is the European Community and the other the Atlantic alliance. And these are the two things on which we can—I think we must—bank our future.

I mean the solution is not going to be easy. There will be a lot of work. But we have managed to steer our course through much more—much greater difficulties.

Senator WARNER. If I might follow up on that, if the rope breaks as it has in Azerbajan now and violence erupts among otherwise peaceful people, who sends in the tanks, the East or the West?

Ambassador de ROSE. Well, I do not have the answer to that.

Senator WARNER. I am not sure that any of us do. It may come to pass that we may have to come forward with an answer, regrettably.

Ambassador de ROSE. I think it will be less likely to happen if the CSCE develops into a real forum for discussion of the problems in Europe. We are not going to regret the old times of the confrontation between a very powerful Warsaw Pact and NATO. It is a new deal

Senator WARNER. If I could ask one question of you gentlemen just briefly, do you see now any requirement for NATO to sit down and revise its charter with respect to its obligations in that area as a consequence of the developments in Eastern Europe?

Dr. **Kaiser**. Senator, I would not see that now. That should be the end of the process. What we have to do now is to constantly look at the impact of the changes on the purposes of NATO. Only the end of the process we should look at documents.

Ambassador de **Rose**. The problem is not that of a change in the charter but of adjusting the defense concept to the new situation and threat. If I could add one thing on that, it is related to the question of Lance and so on. So far, as I said in my presentation, the threat has changed. The threat has changed because it was one of a conventional surprise massive attack by the Warsaw Pact countries.

If and when Soviet troops are withdrawn, instead of having more than, what is it, 600,000 men and 60,000 tanks and all of that in Eastern Europe, if the Soviet deployment is considerably reduced as it, I hope, will be as a result of the talks now going on and because the Soviets have a need to spend less on their defense and the Eastern European countries no longer want them to be there at least in large numbers, the threat will be different.

The threat will no longer be one of the massive conventional attack; or if there should be a massive conventional attack, then there would be advance notice. If there is an advance notice, then I think the formula which Karl Kaiser has proposed, that of the delivery system being there and the nuclear warheads being in the United States with the possibility to transfer them in no time if need be, ought to be sufficient since the basic force of deterrence is for the Soviets to be involved in nuclear exchange with the United States.

Well, the INF Treaty has suppressed that with the possibility of a direct attack from European ground on the Soviet Union with the suppression of Pershing IIs and cruise missiles.

I am not a military expert. I am interested in these questions, but it will be for the military to decide. I think it will be necessary to develop other delivery systems with the capacity to reach the Soviet Union I would not say continental Europe mainland because of the position of the Germans which we know but perhaps through weapons, cruise missiles deployed at sea or airplanes with that capacity to reach military targets in the Soviet Union.

Unless the Soviets did not have the feeling that NATO has the capacity and the will to involve Soviet territory with antiforce operations in case there is a war, deterrence would be considerably weakened because it is that danger of being directly involved with the United States including on their own territory which is the root of deterrence.

We have the same problem in France now because we have to reconsider the doctrine of how to use our shorter range nuclear weapons which we call prestrategic, which I think personally, except for the airborne one, the land-to-land missile, will prove utterly useless

Senator **Warner**. Mr. Chairman, would Dr. Nishihara like to talk about the reports we have heard about the return of the islands by the Soviet Union, making some rapprochement to return those islands?

Is there any credence to those reports, any accuracy?

Dr. **Nishihara**. As far as the official voices coming from the Soviet Union, there is no sign that they are to return islands to Japan in the near future. There are some nongovernmental people from the Soviet Union such as the scholars or others who have advocated or have proposed several ideas about how to return or in which we they can improve relations with Japan. There is no official sign.

Senator **Warner**. Let us hope the scholars can move it forward. Thank you.

Chairman **Nunn**. Any other comments before we wrap it up?

We appreciate all of you being here very much. I know you have had to greatly adjust your schedules, and we have been the beneficiaries of your willingness to testify. I hope to stay in touch with you as this process proceeds. Who knows? By the time we start marking up our defense bill, we could have a lot of other changes, so we certainly may have to continue our dialogue.

Thank you very much.

Senator **Warner**. That means we may have to bring you back.

Chairman **Nunn**. Tomorrow morning this committee will continue our hearings in room SR-232A at 9 a.m. At that time we will have testimony from the Subcommittee of Defense Cooperation of the North Atlantic Assembly. These are European parliamentarians whom we have been meeting with between our two committees for several years, but this will be the first time that they have actually testified in open session before the committee. So we look forward to having them at 9 a.m. tomorrow morning.

This hearing is concluded.

[Whereupon, at 12:09 p.m., the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

FRIDAY, JANUARY 26, 1990

U.S. Senate,
Committee on Armed Services,
Washington, DC.

TESTIMONY FROM THE SUBCOMMITTEE ON DEFENCE COOPERATION OF THE NORTH ATLANTIC ASSEMBLY

The committee met, pursuant to notice, at 9:04 a.m., in room SR-232A, Senator Sam Nunn (chairman) presiding.

Present: Senators Nunn, Warner, and Gorton.

Committee staff members present: Arnold L. Punaro, staff director and Andrew S. Effron, general counsel.

Professional staff members present: Robert G. Bell, David S. Lyles, and T. Kirk McConnell.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel, Romie L. Brownlee, deputy staff director for the minority, Brian D. Dailey, Judith A. Freedman, George W. Lauffer, and Ann Elise Sauer, professional staff members.

Staff assistants present: Barbara L. Braucht, Elizabeth Ann Harlow, Lori M. Jackson, and Melissa Ann Ramsey.

Committee members' assistants present: Nancy E. Soderberg, assistant to Senator Kennedy, Melvin G. Dubee, assistant to Senator Byrd, James M. Bodner, assistant to Senator Cohen, Charles G. Pearcy, assistant to Senator Lott, and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order.

The Armed Services Committee convenes this morning to continue its series of hearings on the implications of the dramatic changes in the Soviet Union and Eastern Europe for our alliances, our national security policy and military strategy and ultimately our defense budget.

Yesterday, the committee heard the views of four distinguished private citizens from Europe and Japan whose perspectives on allied security issues are highly respected. Today we have a unique opportunity to hear the views of a number of our fellow parliamentarians from Europe and from Canada.

It is personally a great honor for me to greet each of you this morning. I have had an affiliation with this group for a long time, and I know you to be among the most outstanding Members of Parliament in your own countries and all of you are strong supporters of the North Atlantic Treaty Organization.

The Senate Armed Services Committee and the North Atlantic Assembly Subcommittee on Defence Cooperation have a valued and longstanding tradition of meeting here in Washington at the beginning of each year. We have always benefited from these exchanges and we have a high regard for the contributions the Assembly makes to informed debate throughout the alliance.

This year, the Armed Services Committee suggested that members of the Assembly's visiting delegation actually present testimony to our committee on the critical issues now confronting the NATO alliance. As legislators from the democracies of Western Europe and North America, we parliamentarians are used to expressing our views in full view of our public. For the last several months parliaments have begun to play a genuine role in policymaking in Eastern Europe in an embrionic manner, even in the Soviet Union.

In the new age of glasnost in the Soviet Union, debates of the Supreme Soviet, often featuring spirited and contentious differences of opinion and outspoken criticism even of President Gorbachev's leadership, are now televised. This is an example of the tremendous changes that have occurred just in the last year or year-and-a-half.

Hearings such as the one we are holding this morning serve a very positive role in promoting better understanding of the policy choices with which we must grapple as legislators. I am delighted we will conduct the exchange this morning in a session that is both open to the public and to the news media.

On behalf of the committee, I want to commend Mr. Duffy and other leaders of the Assembly for making this possible. We are delighted to have you.

For the benefit of our guests from Europe and Canada I should explain that this year's hearings continue the committee's practice of starting each session of Congress with a focus on the threat and the strategy as the necessary framework and prelude to the budget itself.

At the beginning of 1987, the committee conducted 16 hearings on our national security policy and its military strategy component. In 1988, we focused a great deal of our attention on NATO strategy.

Last year, the committee began with a series of hearings on the implications of Soviet reforms for U.S. and allied security policy. In light of the remarkable changes that have taken place in the last few months, this focus on the threat and the strategy is even more important.

This series of hearings will establish the context within which we make initial decisions on the fiscal year 1991 defense budget amendment later this spring. Secretary Cheney and General Powell will be presenting the President's budget a week from yesterday.

This morning, I would suggest the following procedure. After we hear from Senator Warner, who is the distinguished Republican leader of this committee—and I must say an outstanding legislator and also a longstanding supporter of the NATO alliance—for whatever brief opening comments he might have, then I will turn to our distinguished colleague, Senator Bill Roth, who is not only a longstanding member of the Assembly's Subcommittee on Defence Cooperation but also a vice president of the Assembly.

Bill, we welcome you this morning and we will allow you to introduce each member of the delegation here in just a moment. It is a pleasure to work with you, as we have in the past in this very important area where you have been such an outstanding leader.

Then in accord with the leadership positions within the Assembly, I would suggest that we hear opening remarks from Patrick Duffy, President of the Assembly, Karsten Voigt, Chairman of its Defence and Security Committee, and Peter Petersen, Chairman of its Defence Cooperation Subcommittee.

After these presentations, M. Boucheron, who is Chairman of our sister committee in the French National Assembly, will make opening remarks. His remarks will be translated into English by an interpreter accompanying the delegation.

Following these opening remarks, I would hope that we could conduct a free-flowing discussion with Senators putting questions to our opening speakers and other parliamentarians who are here this morning, and also we would welcome your questions or observations to us.

I will recognize Bill Roth in just a moment, but first, Senator Warner, I would welcome any comments you may have.

Senator WARNER. Thank you, Mr. Chairman, I join with you in welcoming our distinguished visitors. As I am sure you noted, this I think is the first time they have testified before our committee. Yesterday they were before the House of Representatives.

It is particularly timely that you come before the Congress at this time and give the Congress your advice. The airwaves of the United States are filled with the term "peace dividend," and our people are restless. They are anxious to learn what, in fact, is the basis for a peace dividend.

The testimony that this committee has received to date over the past several days, primarily from the chief of our intelligence services but also from others from around the world, indicates that while the threat in Europe is indeed receding and being replaced by, fortunately, the emerging democratic governments in Eastern Europe, there still remains throughout the world a global threat.

We, the United States, are a global Nation. We have to look to the Pacific. We have to look to situations such as terrorism in the Third World, but this morning we concentrate on the extent to which there could be a peace dividend emanating from the changes in the European scene, and you ladies and gentlemen are particularly qualified to give us that perspective.

I myself am committed to maintaining a strong NATO. It has enabled 40 plus years of peace, the longest period of peace on the European continent in the living memory of mankind. That has been brought about by a strong and firm commitment by the United States to NATO.

I fully anticipate that Congress will continue to work with our President to give that same commitment, but we do need from you your expertise as to the extent to which we can, through the arms control process—and I hope that each of you discuss that process today—bring about such reductions as are commensurate with the receding threat.

If we, the Congress of the United States, get out ahead of the arms control process, we are likely to lose a golden opportunity in the sense that the agreements that are being negotiated in Vienna and in Geneva have the most advanced and unique provisions regarding verification and it will enable the President of this country, working with your heads of government in your countries, to better monitor compliance with those agreements. If we were to resort to unilateral withdrawals, any Soviet unilateral actions could be reversed by subsequent leadership in the Soviet Union.

So I do hope that you emphasize, as I hope you will, the importance of any reductions in defense keeping pace with the arms control negotiations.

Thank you, Mr. Chairman.

Chairman Nunn. Thank you, Senator Warner. Senator Roth, we are delighted to recognize you for any comments and introductions.

STATEMENT OF HON. WILLIAM V. ROTH, JR., A U.S. SENATOR FROM THE STATE OF DELAWARE

Senator Roth. Well, thank you, Mr. Chairman. I would like to congratulate both you and Senator Warner for your insight in inviting the senior members of the North Atlantic Assembly to testify before the Senate Armed Services Committee.

All too often, Members of the U.S. Congress discuss the U.S. defense budget oblivious to the fact that this Nation is a functioning member of a vigorous, highly successful alliance, the North Atlantic Treaty Organization, and as we craft our defense budget and determine our priorities, our allies expect and deserve our consultation. This hearing constitutes telling evidence of your personal awareness of that fact.

I believe it is particularly important that the members of NATO's various legislative bodies meet frequently in the coming months in order to discuss the size and shape of their national defense budgets. As democratically elected representatives, I believe, for obvious reasons, that we are much more aware of the manifold domestic pressures upon our national defense budgets than are the military and civilian personnel who control our various defense establishments.

The members of our North Atlantic Assembly Subcommittee on Defence Cooperation are, in my opinion, most highly qualified to speak both to the security and political aspects of NATO's defense posture, and I am sure that you gentlemen will find their observations pertinent and enlightening, as I do during the meetings of the Assembly.

I might say, Sam, I am particularly close to the Subcommittee on Arms Cooperation, as it was a resolution in the U.S. Senate, sponsored by you and myself, calling for better arms cooperation, that first got me involved in the NATO Assembly.

It is my privilege to briefly introduce the four gentlemen in the front row who will be speaking at the beginning, and then the chairman of the subcommittee will introduce the other members of the subcommittee.

Mr. Chairman, my old friend Pete Petersen is indeed a long-time leading member of the Assembly. He currently serves as Chairman of the Assembly Defence Cooperation Subcommittee. I regret to say that Pete has elected not to seek reelection to the Bundestag.

Now, prior to his well-earned retirement, I believe it is encumbant upon us to honor his really significant contributions to enhancing both the U.S.-German relationship cooperation as well as strengthening the NATO alliance itself. We are deeply indebted to this splendid man.

Next, I would like to introduce my esteemed colleague and good friend, Patrick Duffy. Patrick Duffy has indeed been a most outstanding President of the North Atlantic Assembly, and I can tell you, Mr. Chairman, he knows exactly how difficult it can be politically to support a firm NATO defense posture.

Patrick served as Navy Minister in the British Labor Government of Harold Wilson, and let me tell you he did not veer—he did not veer from his commitment to the Transatlantic defense relationship when many of his colleagues began to flirt with unilateral disarmament.

Patrick Duffy is, indeed, a profile in courage. The newly rational defense posture of the British Labor Party must, in my opinion, be attributed to the resolve which he and a group of like-minded parliamentarians have exhibited.

Karsten Voigt is, I am sure, a stranger to neither one of you. His recent elevation to the chairmanship of the Assembly's Defence and Security Committee constitutes ample testimony to the high esteem in which he is held by his parliamentary colleagues. In addition, his position in Bonn as foreign policy spokesman for the SPD has placed him close to the center of affairs as the situation in Eastern Europe has developed so dramatically.

I do hope that my colleague, M. Boucheron, will not resent my introducing him last in the group of four. However, I am certain that the Senators present today will find his reflections as Chairman of the Defense Committee of the French National Assembly most enlightening. We are indeed fortunate to have him as a member of the NATO Assembly.

Mr. Chairman, I can only add that I would encourage the members of the Armed Services Committee to consult with all the members of the Subcommittee on Defence Cooperation. These 14 members of NATO parliaments represent 12 different national parliaments. Five have served in Cabinet-level positions. They are a group of diverse and talented individuals, and I am very proud to call them my colleagues.

At this time, I would call on Pete Petersen to introduce the other members of the subcommittee.

STATEMENT OF PETER PETERSEN, CHAIRMAN, SUBCOMMITTEE ON DEFENCE COOPERATION, NAA

Mr. Petersen. Thank you. I would like to have my friends just quickly rise when I mention their names, so you will know who you also have as partners here.

First is Jose Lello, who is the rapporteur of our committee, from Portugal. Mrs. Helen Bosterud, from Norway, was Minister of Justice until the recent change in government. Robert Hicks comes from Canada.

Sir Geoffrey Johnson Smith is a Conservative Member from Britain; the Honorable Michael Jopling, also from Britain. Mr. Kelchtermans comes from Belgium; Rodrigo de Rato from Spain; Thijs van Vlijmen from the Netherlands; and the others, I believe, have already been kindly introduced by Senator Roth.

Mr. Chairman, first it is a great honor for me personally, a great joy to have the chance to testify and to work out with you our next steps. I remember in 1951 as a student I was in these saintly halls for the first time. I have always regarded the U.S. Senate and the House as the center of decisionmaking and of examples for the Free world. I have one more year to go and then I want to retire and write a book or two. It is a great joy for me to have this chance today.

If you would agree, Senator Nunn, I would call on my colleagues here to make their opening statements, and then I hope we have a very lively discussion.

I just see, I am terribly sorry, I overlooked Mr. Zeki Yavuzturk from Turkey, who was formerly Minister of Defense in his country, and is Chairman of the Armed Services Committee in his parliament in Turkey, a very valuable member, and I hope he forgives me that I overlooked him.

Chairman NUNN. We've met before. I am very familiar with his record. I am delighted to have all of you here. Thank you very much.

Mr. PETERSEN. I would like to call upon the President of the North Atlantic Assembly, Patrick Duffy, to make his opening statement.

Chairman NUNN. Thank you. He is an old friend and, Patrick, we are delighted to have you.

STATEMENT OF PATRICK DUFFY, PRESIDENT, NORTH ATLANTIC ASSEMBLY (NAA)

Mr. DUFFY. Chairman Nunn, distinguished Senators, it is indeed a great pleasure and a distinct honor to be invited to offer a few modest thoughts in my capacity as President of the North Atlantic Assembly and to do so to such an august body and in such a remarkable time in the history of our alliance for these are truly extraordinary times. Change seemingly is everywhere.

However spectacular the developments elsewhere, the spotlight keeps swinging back to the Soviet Union for there the big questions remains. Can Mr. Gorbachev keep the last great land empire together? Can he reconcile the market economy with Marxism-Leninism? Can he survive, for lifting the lid on a cauldron is to run the risk that it will boil over.

Mr. Gorbachev's biggest weakness is that he cannot restructure the economy overnight. The first visit to the Soviet Union by the North Atlantic Assembly took place from the 3rd to the 7th of July 1989. I led a delegation comprised of 19 senior parliamentarians from 12 alliance nations. They included Chairman Nunn, and your own colleagues Bill Roth, Chuck Robb, and Barbara Mikulski.

Our deepest impressions are of the deprivation, the empty shops, and the long queues. How far can progress be made toward the goals of price reform and ruble convertibility and movement away from the command economy which was spelled out to us by Prime Minister Nikolai Ryzhkov in the Kremlin without at least questioning the exclusive claims of Marxism-Leninism?

Military perestroika must also pose problems for the army. At the annual conference of the North Atlantic Assembly in Rome in October last, a joint visit was arranged for General John Galvin, NATO's Supreme Commander, and General Vladimir Lobov, Chief of Staff of the Warsaw Treaty Organization. It was the first time they had met. Socially it was a success. Militarily it was disturbing for their positions are still too far apart. Since then General Lobov has commented critically on perestroika.

It was the same with talks we had with Defense Minister Dimitric Yazov, with our experience in Vienna last month where our special committee received extensive briefings on the fourth round of CFE arms control talks. It was the same in Bonn at the end of October where I hosted the first East-West parliamentary round table. Basic positions remain too far apart, Chairman Nunn, despite the good will on both sides.

How far we can depart, therefore, from the security systems that have underpinned the Western alliance over the past 40 years must be the most urgent questions that will exercise our minds this morning for time, I submit, is needed to bridge those basic positions that my colleagues and I have been in a position to assess over the last year.

Basic positions, though, we concluded remain too far apart. Thus time may turn out to be Mr. Gorbachev's greatest need. What are we doing to help him? What can we do to help him?

Prime Minister Ryzhkov emphasized to us the potential of joint ventures for he is anxious to acquire western-type entrepreneurial and management skills. Some colleagues have brought this to the attention of their chambers of commerce and to their governments' attention, and there is the possibility of help on the parliamentary front.

Deputy Yevgeny Primakov, Chairman of the Soviet Union, told us that he intends that the new Supreme Soviet will be effective and "not a rubber stamp assembly." I expressed the conviction publicly in Leningrad on behalf of my colleagues that where the North Atlantic Assembly as the only forum which brings together parliamentarians from Europe and North America can assist in this process, it will do so with determination and imagination.

More East-West parliamentary round tables such as the one scheduled for next month in Brussels involving our two principal committees, the defense and security, and the political committees as well as involving members of the Supreme Soviet will be necessary, and they should be encouraged all around.

If I may, Chairman Nunn, in conclusion with your permission and with the permissions of my colleagues, I would like to offer a personal but deeply felt observation as someone who knows what is really at stake and cannot be easily scaled down or rejected, and someone who as a teenager found himself in the foc'sle mess of a battle cruiser in 1940 when I might have been starting my studies at university, as someone who in June 1940, despite my teenaged status, truly looked into the abyss when we stood alone, when I knew what was at stake. I do not have to mouth what was at stake. It is easy, easy.

History is littered with examples of mouthed such fine statements and to have been part of squalid results, squalid results, let me repeat, and I am not going to take up the time of this committee or test its tolerance with such posturing.

I would speak now to my own personal record. I have spoken to the record of my colleagues. I will speak to my own personal record now.

There is no doubt that the U.S.S.R. is experiencing serious domestic difficulties. It may yet be the spiritual mettle of the ordinary people of Mother Russia. It may yet be that resurgent Christianity, Christianity that some of my colleagues and I glimpsed during our visit to the famous Sogarsky Monastery rather than Mr. Gorbachev's perestroika that will lead that country out of the darkness of atheistic totalitarianism.

As we watch them trying to overthrow their past, we should hope, I submit and indeed pray, that they will succeed, for the wheel of history at last may be about to turn for that vast country.

Chairman Nunn, I commend you for your foresight in scheduling these comprehensive hearings for I believe we are just at the beginning of our intercontinental debate on these critical issues of our time, and I thank you for listening to me.

[The statement of Mr. Duffy follows:]

PREPARED STATEMENT BY PATRICK DUFFY, PRESIDENT NORTH ATLANTIC ASSEMBLY (NAA)

Chairman Nunn, distinguished Senators, it is indeed a great pleasure and a distinct honour to be invited to offer a few modest thoughts in my capacity as President of the North Atlantic Assembly, to such an august body and at such a remarkable time in the history of the Atlantic alliance.

These are truly extraordinary times. Change, seemingly, is everywhere. However spectacular the developments elsewhere, the spotlight keeps swinging back to the Soviet Union. For there the big questions remain.

Can Mr. Gorbachev keep the last great land empire together? Can he reconcile the market economy with Marxism-Leninism? Can he survive? For lifting the lid on a cauldron is to run the risk that it will boil over.

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I commend you, Senator Nunn, for your foresight in scheduling these comprehensive hearings for I believe we are just at the beginning of our intercontinental debate on these critical issues of our time.

Chairman NUNN. Thank you very much, Mr. Duffy, for that fine statement. We appreciate your being here.

Mr. Petersen, I am going to ask you to decide the order of this. We will go according to your wishes.

Mr. PETERSEN. Thank you very much, Mr. Chairman. I suggest that Karsten Voigt from the Federal Republic, who is a foreign affairs spokesman for the SPD in our parliament, our opposition, have the floor now.

Chairman NUNN. Mr. Voigt, we are delighted to have you.

STATEMENT OF KARSTEN VOIGT, CHAIRMAN, MILITARY COMMITTEE, NORTH ATLANTIC ASSEMBLY

Mr. VOIGT. Thank you, Mr. Chairman.

The aim of the Western alliance is a European order of peace and freedom in which Europe's and Germany's divisions are healed. At the start of 1990 we are closer to achievement of this objective than ever before. No one in Europe is more interested in a change toward an order of peace and freedom than are the Germans, divided as they are by the wall, but we are also concerned that this change should occur under conditions of the greatest possible stability.

Success of the democratic revolution in Eastern Europe will drastically limit the usefulness of the Warsaw Pact states' military power for offensive actions against the Western alliance. Western Europe and Germans do not need to fear that a democratic Poland, a democratic Hungary, a democratic Czechoslovakia or a democratic Eastern Germany might harbor aggressive intentions toward it.

The first agreement at the Vienna negotiations will for the first time since the establishment of the two alliance systems lead to an agreement whereby we agree on conventional stability in Europe.

As to security policy, the past integralism between NATO and Warsaw Pact member states would be transcended by a network of superalliance control procedures, confidence and security-building agreements and common institutions.

The actual threat that existed during the cold war when future was perceived to be potential hostility; the military significance of the Western alliance is diminishing. Its political function in the organization of the superalliance common security is growing.

I should have preferred if stability would have been agreed in Vienna or will be agreed on lower ceiling in all categories than the diplomats are searching for at this given point. I still prefer it.

I should like today to urge that significantly lower ceilings will be agreed for stationed troops in the center of Europe in the central region—that means in Central Europe and the first agreements, the number of stationed forces should be reduced considerably further than has so far been provided for.

The numbers of U.S. and Soviet troops stationed in Europe outside that territory should be far below the 275,000 each mentioned in the Western Draft Treaty. I am not calling for a cut in U.S. troops, but neither do I fear if they occur in the framework of an agreement.

We should in any case avoid one past mistake in the future. Discussions on troop cuts should no longer be bedeviled by transatlantic reproaches. The discussion should also be unfettered by unilateral conditions formulated in the United States with a view to a change in transatlantic burdensharing.

Developments in East-West relations allow not just a shift in the balance of military burdens borne by the United States and Europe, but a reduction in the burdens for both the United States and Europe.

A second phase in the negotiations should begin as soon as the implementation of the first Vienna agreement begins. In a concept which I have developed together with a couple of colleagues we have put forward proposals for a two-stage reduction in conventional weapons and forces to 50 percent of current NATO levels.

I endorse the question which you have put in the same direction to the American administration.

Chairman NUNN. I take it, Mr. Voigt, you would not object if the U.S. and Soviets together, after consulting with our allies, were to put forward a proposal that would lower that 275 number on both sides, somewhere down to 200 or 225?

Mr. VOIGT. I think, yes, when you look now on the unilateral reductions which are taking place on the eastern side and when you see the discussion which is taking place in this country, if we do not do it—and we might envisage a situation in which unilateral reductions which have a certain destabilizing effect might substitute for greater reductions, and so far the political events are overtaking the ceilings which we have agreed on inside the Western alliance up until now.

The political changes in Eastern Europe in the past year make insistence on a non-negotiable minimum and short range nuclear systems senseless. A zero option in these weapons should be sought. Those who are like me shy away from a major step toward the zero option should at least be prepared to countenance a gradual phased reduction toward zero.

The agreements which we have so far tabled in the Vienna talks do not press for a change in the Western strategy. The eastern side has to change, but we do not need to change as a result of the earlier superiority, but when we ask for deep cuts then, naturally, not only the eastern side will have to change, but also the Western side would have to change, and I think such a change of strategy can only be warranted by military and political reassessment of the situation in Europe, political and military justified assessment or reassessment of the situation in Europe.

I think that the change in Eastern Europe which has occurred in the last years makes such a reassessment of the security situation in Europe now possible and in the future unavoidable. Even if the Soviet Union were to withdraw all of its troops from the states west of its borders, a continuing U.S. security presence in Europe would seem desirable. Naturally, also a cultural and economic presence as well as a security presence.

With the CSCE process and North America's participation in the nuclear disarmament and conventional disarmament process, the Soviet Union has accepted this presence. I think a long-term security link is also in the interest of Germany and its neighbors, but unjustified reservations about German policy could give rise to damaging nationalistic resentment on the part of the Germans toward their neighbors.

The German striving toward freedom does not represent any risk for the stability of Europe. Memories of Wilhelminian megalomania and the National Socialist reign of terror make skepticism about German policy understandable but in present times no longer justified.

European stability includes the finality of Poland's present borders, especially of its western border. The overwhelming majority of Germans are in favor of its recognition.

I propose that after free elections in East Germany that both German parliaments, East and West, together adopt a resolution which would make clear that this Polish western border is the final border of Poland and so far stabilize the situation by such a resolution.

I think that the process which has started now will lead to German unity. The European unification process must act as a driving force for the German unification process. The European unification process should not be used to hold back the Germans in the exercise of the right of self-determination. Integrating the German and European unification process is a joint task for the Germans and their neighbors in the east and west. Its economic, social, cultural, party, church, trade union, and association level, the process of unification began long ago.

In Berlin, citizens of a hitherto divided cities are uniting. The divided parts of the city are being brought together again by new freedom of travel, new communications and new links with no reorganization of the state from above and so far no authoritarian element is included with no question of status or national/international law arising. Long separated friends and families are finally being reunited.

This is a new form of unity born of freedom, human rights, and everyday necessities, not of considerations and constitutional law. The new Germany would be a democratic and a highly decentralized Germany. It would be pro-European and in an international security environment in Europe also peaceful.

The majority of Germans in both German states are aware that the Germans can achieve greater unity only if Europe achieves greater peace through that unity. From the legal point of view, the unification of Germans in the spring will lead first to close coexistence of the two German states. Then it is to be hoped after free elections in East Germany to a confederation between them and finally to a federal German state integrated into European structures.

In January we took an opinion poll. Seventy-four percent in West Germany support the unification—I do not use the term "reunification" for it would not be a "re-establishment" of something old—and 68 percent think it will happen in the next 10 years. I think the percentage is much higher in Eastern Germany and having campaigned in the free election campaign now in East Germany, my feeling is it is much higher than Western Germany.

The process of cooperation that leads to a confederation of German states with equal rights can be reconciled with membership of various alliances, and economic assistance in the foreseeable future. The prospect of a confederation is, therefore, in the foreseeable future the realistic alternative to the divisions of the past. In a confederative process, even the answering of fundamental questions about the status of Berlin and the rights of the allies in regards to Germany as a whole could be postponed to some future date.

The direct election of Berlin's representatives in the federal diet and the regulation of German-German air traffic, including serving Berlin, is nevertheless required this year. Even some of the conditions in the Federal Republic's bilateral treaties with the United States could be changed by mutual agreements.

I think when we are discussing about a federated German union, then we need to discuss about the alliances. I do not think that we should then go neutral. But, on the other hand, taking the GDR as a member of the Western alliance is no answer, for I do not want the border of the Western alliance between Germans and Poland.

So far we have to think about ways in which to overcome the alliances by mutual agreement but not by falling back into all nationalistic competitions and rivalries. That is why we need an all-European security structure, and the Vienna talks and the CSCE process is a starting point for that structure.

I think that a peace treaty for Germany and four-power meeting is not needed today. What we can do is by bilateral agreements between Germans and the western neighbors, including the United States, change one gradualization in a step-by-step approach and by the CSCE process an East-West negotiation in all practical terms substitute for treaties by which Germany is part of it, but not being the object of it. In all practical circumstances find relations which will be part of a future peace treaty on Germany, but this can be postponed for later stages.

[The prepared statement of Mr. Voigt follows:]

PREPARED STATEMENT BY KARSTEN D. VOIGT, CHAIRMAN, MILITARY COMMITTEE (NAA)

The aim of the Western alliance is a European order of peace and freedom in which Europe's and Germany's divisions are healed. At the start of 1990 we are closer to achievement of this objective than ever before. There will probably be temporary setbacks, but the Western alliance can nevertheless attain its goal by the beginning of the next millennium. One thing is already certain: now that the democratic revolution has gripped all Warsaw Pact member states, the bitter period of postwar European history that began with the establishment of Stalinist dictatorships over the Eastern and Eastern Central European states freed from National Socialism is ending.

The case of the Berlin Wall symbolizes the end of the cold war. With the opening of the Brandenburg Gate, the door is opening to a peaceful European order. The Western alliance must still be in a position to ward off the potential dangers of war, it is true, but in East-West relations it must increasingly prove itself in its capacity to forge stable relations that transcend the blocs. Only when the security of the Western states can be guaranteed in a peaceful European order without NATO will NATO have fulfilled its purpose and become superfluous.

No people in Europe is more interested in a change toward an order of peace and freedom than are the Germans, divided as they are by the cold war and unfreedom. But we are also concerned that this change should occur under conditions of the greatest possible stability. A more active German disarmament policy and also joint disarmament initiatives by both German states are desirable. But we reject the idea of Germany "going it alone." We wish to tread the path to a peaceful European order in the company of the states participating in the CSCE process.

I

The policy of transformation was initiated from above by the Soviet leadership under Gorbachev. Last year, citing the Soviet policy of transformation, the peoples of southeastern and eastern central Europe began their democratic and—except in Romania—peaceful revolution. Success of the democratic revolution changes the political and economic situation in the Warsaw Pact member states. As the states and societies of our Eastern neighbours become democratized, the systemic conflict between Communist dictatorships and pluralist democracies changes. It is our moral duty to help oppressed democrats and democracies in Eastern Europe. This moral duty coincides with the foreign and security policy interests of the Western alliance in Eastern Europe.

Last year's elections to the Supreme Soviet were a step along the road toward parliamentary pluralism, albeit with the leading role of the Communist Party being maintained. The procedure for election to the Sejm favoured the Polish United Workers' Party, yet today a representative of Solidarity heads the Polish Government. It has been announced that free and secret elections will be held this year in all the other Warsaw Pact member states. For the foreseeable future, the governments that emerge from those elections will not question their membership of the Warsaw Pact. Yet to the extent that democratic parliamentary majorities emerge, the governments of the Warsaw Pact member states will no longer be opponents of the democratic values the Western alliance was created to defend. This creates a fundamentally new foreign and security policy situation for the Western alliance in Europe.

II

Where the revolution passed off peacefully, this reflected the democratic civilization of opposition groups, the peacemaking influence of the churches and the civilizing effect of détente policy. An end to the militarization of the East European societies leads to the civilizing of state power, both domestically and vis-a-vis the outside world.

The predominantly peaceful unfolding of the revolutionary processes has led to a welcome reduction in the usefulness of armed force to deal with conflicts within the states of Eastern Europe. There were, it is true, violent interventions by the police and secret police almost everywhere. Only in Romania, however, did these escalate into open military conflict. In several states the disbanding of the workers' militias and of secret police units designed for internal repression is already complete. In others it is imminent. So begins the destruction of the machinery of Communist dictatorial domination.

The last year has also witnessed confirmation of the end of the Brezhnev doctrine. The Soviet Union did not intervene militarily in its allied countries, either to suppress the democratic revolution or, in Romania, to support it. When the Wall was built in 1961, Soviet and American tanks stood face to face in Berlin. When the Wall was breached on 9 November, GDR border guards and West Berlin policemen together controlled traffic crossing the frontier. Where NATO had earlier reckoned with the peace-threatening chaos of streams of refugees in the event of democratic movements being crushed, there was the peaceful chaos of free travel. Instead of tanks, Trabant cars came.

Success of the democratic revolution in Eastern Europe will drastically limit the usefulness of the Warsaw Pact states' military power for offensive action against the Western alliance. Already, no intention to launch an attack on the Western alliance is discernible in the Warsaw Pact or any of its individual member states. Western Europe does not need to fear that a democratic Poland, a democratic Hungary, a democratic Czechoslovakia or a democratic GDR might harbour aggressive intentions toward it. And even in the unlikely event of individual Eastern neighbours being prepared to attack us, an alliance of democratic states as a whole would never allow itself to be led into offensive action against other democracies. The possibility that an alliance of democratic states would be in a position to coordinate, politically and militarily, a surprise attack in Europe can be ruled out in any case.

III

The development toward stable democracies is jeopardized by the continuing resistance of the machinery of power that used to bolster the Communist dictatorships and by the grave economic situation in some CMEA member states. In such circumstances, economic support for the reforms and political solidarity with the democrats become the most important tasks for a peace-oriented foreign and security policy in the Western alliance.

Fears are often voiced that failure of Gorbachev in the Soviet Union could halt, or even reverse, the democratic process in the other Warsaw Pact states. Today, a return to the Stalinist system can already be ruled out. Introduction of other forms of dictatorship is still conceivable. It is also true that the longer the democracies in Eastern Europe are able to stabilize, the more remote the danger of a relapse into undemocratic situations will be, and the more military force will be required to break the democratic resistance. Every month of successful stabilization of democratic processes in Eastern Europe is thus more than just time gained. It is a gain for a European order of peace and freedom.

There remains the common interest of all the Soviet Union's allies and the Western alliance in the success of Gorbachev's policy of reform. Whether this reform policy will ever achieve all its intended goals, nobody can say. Some of the aims of perestroika have also changed over time. Other goals have been put off until further into the future. The democratization of the Soviet Union has progressed faster than even optimists expected when Gorbachev came to power. The greatest success of the reforms initiated by Gorbachev is that even in the Soviet Union the democratization is beginning to become institutionally anchored, independently of Gorbachev himself. Both the activity of the Supreme Soviet in the first half of 1990 and the regional elections at republic level and the decisions of the Party Congress of the CPSU in the second half of 1990 are important to this process. Economic difficulties, ethnic conflicts and anti-democratic resentment among the population could also endanger the democratization process in the Soviet Union. So far, however, after each decisive conflict the reformers have gained ground, even if only in very small steps at times.

Today, Gorbachev is criticized in the Soviet Union both by those for whom the democratization and economic reform are proceeding too fast and by those for whom they are proceeding too slowly. Today, failure of Gorbachev personally is no longer automatically synonymous with failure of his policy. Failure of his policy does not automatically mean adoption of a militaristic and aggressive policy by the Soviet Union. In any case the West would have sufficient time to adjust, both militarily and in its security policy, to a new and more offensive policy in the Soviet Union. A reduction in the strength of NATO's troops in Europe can be justified militarily under these circumstances. It is politically desirable.

IV

Implementation of the unilateral reductions in troops and armaments announced by the Warsaw Pact member states is gradually improving the military situation in Europe. A first agreement at the Vienna negotiations will, for the first time since the establishment of the two alliance systems, lead to an agreed conventional stability between them. From the military and security policy standpoint, this would herald a fundamentally new phase in Europe. Militarily, the capacity to launch surprise attacks and mount major offensives would be removed. As to security policy, the past antagonism between NATO and Warsaw Pact member states would be transcended by a network of supra-alliance control procedures, confidence and security-building agreements and common institutions. The actual threat that existed during the cold war will in future recede to become a potential hostility. The military significance of the Western alliance is diminishing. Its political functions in the organization of supra-alliance "common security" are growing.

It is to be welcomed that in the interim, as a result of an initiative by President Bush, combat aircraft and troops are also being discussed. I have called for this from the outset. I should have preferred it if lower ceilings in all categories could have been striven for as part of the first results of the negotiations in Vienna. I should still prefer it.

I should like today to urge that significantly lower ceilings be agreed for stationed troops in the central region. Under a first agreement, the number of stationed troops should be reduced considerably further than has so far been provided for. Incidentally, in the coming years the troops of the German Federal Armed Forces and others stationed in the central region will be reduced; if the ceilings in Vienna are not lowered considerably, we may presume that before implementation of the first agreement is complete there will, as a result of unilateral Western cuts, be fewer soldiers present than laid down in the treaty itself.

The numbers of U.S. and Soviet troops stationed in Europe outside their territory should be far below the 275,000 each mentioned in the Western draft treaty. I am not calling for a cut in U.S. troops, but neither do I fear such a cut. On the basis of numerous conversations with colleagues in the U.S. Congress I consider reduction of the number of U.S. troops stationed in Europe to a figure below 275,000 in the coming years to be probable. If this estimate is even only to some extent realistic it would be contrary to Western interests not to press for parallel cuts in Soviet troops stationed on the territory of our Eastern neighbours, the more so as our Eastern neighbours are also interested in speedy and drastic cuts in Soviet troops. Czechoslovakia has already demanded the complete withdrawal of Soviet troops from its territory. I should prefer a bilateral U.S. and Soviet troop cut to a unilateral decision by the United States.

We should in any case avoid one past mistake in the future: discussions on troop cuts should no longer be bedevilled by transatlantic reproaches. The discussion should also be unfettered by unilateral conditions formulated in the United States with a view to a change in transatlantic burdensharing. Developments in East-West relations allow not just a shift in the balance of military burdens borne by the United States and Europe but a reduction in the burdens for both the United States and Western Europe.

A second phase in the negotiations should begin as soon as implementation of a first Vienna agreement begins. In a concept for European security in the year 2000, Egon Bahr, Andreas von Bulow and I have put forward proposals for a two-stage reduction in conventional weapons and forces to 50 percent of current NATO strengths. Similar concepts are being discussed in the U.S. Congress. I should like to express strong support for the view of those Members of the Senate and House of Representatives who have called on their administration to submit, this year, studies on the military, political and financial consequences of such radical cuts. We in the alliance should begin now to prepare for a second phase of the Vienna negotiations. There should be no pause in disarmament policy following an initial result in Vienna.

It is regrettable that the Western alliance could not agree on a negotiation concept for short-range and battlefield nuclear weapons during the first phase of the Vienna negotiations. This arms policy gap should be filled immediately. The political changes in Eastern Europe in the past year make insistence on a non-negotiable minimum of battlefield and short-range nuclear systems seem senseless. A zero option in these weapons should be sought. Those who, unlike me, shy away from a major step toward a zero option should at least be prepared to countenance a gradual, phased reduction toward zero.

V

As a result of the Vienna negotiations the Warsaw Pact would not only have to eliminate a far greater number of weapons and troops than the West. It would also have to switch to a form of forward defence similar to the structure of NATO up to the present time. The proposals negotiated in Vienna so far do not require NATO to make any fundamental change in its strategy. Such a change would nevertheless be inevitable if an agreement were reached in a later phase to halve current NATO strengths. A strategy change of this kind can be warranted only by a militarily and politically justified reassessment of the situation in Europe. The Soviet Union's foreign, security and domestic policy, which, for all the contradictions in its priorities, has clearly been changing for several years, and the democratic revolution among the Soviet Union's allies make a reassessment of the overall, security situation in Europe already possible, and in the future inescapable.

Even if the Soviet Union were to withdraw all its troops from the states west of its borders, it would still be a great military power in Europe. This makes a continuing U.S. security presence in Europe seem desirable. With the CSCE process and North America's participation in nuclear disarmament and verification agreements, the Soviet Union has accepted this presence.

Discussions in connection with the German question are an indicator that, irrespective of the scale of Soviet military power, a U.S. military presence is widely seen as a necessity. A long-term security link between the United States and Europe is also in the interests of German policy. But unjustified reservations about German policy could give rise to damaging nationalistic resentment on the part of the Germans toward their neighbours. The Germans' striving for unity in freedom does not represent any risk for the stability of Europe. Memories of Wilhelminian megalomania and the National Socialist reign of terror make scepticism about German policy understandable but not justified. The history of the Federal Republic since then is sufficient proof that most Germans—whichever party they may have entrusted with forming a government at various times—have always wanted to contribute to European stability. European stability includes the finality of Poland's present western frontier. The overwhelming majority of Germans are in favour of its recognition. In a resolution adopted almost unanimously, the Federal Diet has declared its support for the finality of Poland's western border. After free elections in the GDR the parliaments in both German states should reiterate this in a joint declaration.

As long as our Eastern neighbours are members of the Warsaw Pact they remain military allies of the Soviet Union. The Soviet Union can continue to rely on their support in the event—which all member states are agreed will never occur—of an attack by NATO states. Even today, the Soviet Union could no longer count on the loyalty of its allies if it wished to attack member states of the Western alliance (which is what NATO's threat scenarios must be based on, although such an event is improbable today and in the foreseeable future).

At the same time, success of the democratic revolution means additional protection against hostile intentions. A democratic Eastern Europe will open itself to cultural, economic and political cooperation with the West. Even if, militarily, the Warsaw Pact member states remain partners of the Soviet Union, economically, culturally and politically they will at the same time become partners of their Western neighbours. This will lead to a further reduction in the usefulness of their military might for offensive purposes. In this way will arise the political conditions for the defensive doctrine that we Social Democrats call the concept of bilateral structural inability to attack.

Militarily, this concept implies renunciation of threatening our Eastern neighbours—and ourselves too—with battlefield nuclear weapons and short-range missiles stationed in Europe. In the conventional sphere it aims, in both East and West, at drastically reduced strengths and a changed ratio of active to cadre units. Technically and operationally it would, it is true, still be possible to wage a war, but it would be impossible for an attacker to win one. The change in military resources will also have to affect the peacetime presence of logistic groups and logistics installations. This calls for agreement on utilization restrictions in the case of prepositioning of munitions and fuels. Negotiations are already in progress in Vienna on comprehensive verification, transparency of military potentials and a network of confidence and security-building measures.

Through the parliamentary control associated with the democratic revolution, publication of defence spending on the basis of recognized criteria is gradually being elicited in Eastern Europe too.

The concept of bilateral structural inability to attack does admittedly continue to involve defence near the frontier. It does, however, permit a departure from flexible response and forward defence as we have known it. This departure is necessary because otherwise, after a first agreement in Vienna, NATO would get stuck in the political cul-de-sac of structural inability to disarm. I pointed this out at our congress last year.

VI

As long as the Soviet Union on the one hand and the United States, France and the United Kingdom on the other have nuclear weapons a system of mutual nuclear deterrence will persist between the two alliances. Even if the Soviet Union and the United States cut their nuclear arsenals to 50 percent or 25 percent of their current sizes the system of mutual nuclear deterrence would be maintained in principle. The nuclear powers' respective alliance partners would still be within range of the remaining nuclear weapons. To that extent, Europe would not be denuclearized even if the nuclear powers were to renounce stationing nuclear weapons on the territory of their alliance partners in future.

Nuclear deterrence presupposes nuclear weapons and potential hostility. Within an alliance, irrespective of the possession or non-possession of nuclear weapons, a system of alliance partnership, not deterrence, obtains. If arguments were conducted in terms of deterrence within an alliance, it would mean the end of the partnership. If potential adversaries agree on bilateral cuts in their atomic weapons the quantity and type of weapon technology changes as a result, but there is no fundamental change in the system of mutual deterrence obtaining between them. If the potential adversary displays a tendency, stable in the longer term, toward aversion to military risks the requirement for a broad range of nuclear weapons to keep deterrence credible will diminish. If the potential hostility dwindles, so, for political reasons, does the military requirement for deterrence.

In view of, first, the persisting conventional imbalance in Europe and, second, the Soviet nuclear weapon arsenal, the Western alliance cannot yet renounce nuclear deterrence, and will not be able to do so for the foreseeable future. To that extent, the goal of overcoming the system of mutual deterrence is still a distant objective.

In the course of recent decades in Europe the Soviet Union has demonstrated an increasing aversion to military conflicts between East and West and also within its alliance. NATO therefore needs much less flexibility in its nuclear options to keep deterrence vis-a-vis the Soviet Union effective and keep the United States guarantee credible. NATO should continue the unilateral reduction of battlefield nuclear weapons far further than planned so far. Modernization of Lance should also now be formally renounced. On the basis of agreed zero-options in battlefield nuclear weapons and short-range nuclear missiles the Western alliance would renounce systems aimed specifically at the territories of the non-nuclear Warsaw Pact member states. This would be a politically desirable signal in view of the successful democratic revolution among our eastern neighbours.

VII

While the internationalism forced upon the states and peoples of Eastern Europe by Stalin is collapsing, the voluntary internationalism of the European Community and the Council of Europe is gaining in dynamism and attractiveness. The European Community and the Council of Europe are helping to transcend national states through European cooperation.

The emergence of dangerous nationalism in Eastern Europe could be resisted by a policy of openness to the East on the part of institutions originally limited to Western Europe. Cooperation with, or membership of, economic, cultural and political institutions currently restricted to the West is the aim of the democratic reform groups in Eastern Europe.

VIII

The opening of the Western integration process to Eastern Europe is also the most important institutional instrument for rooting in Europe the process that will lead to German unity. No party represented in the Federal Diet is arguing for Germans to go their own way to German unity. When the Berlin Wall was breached on 9 November 1989—50 years after the racist attacks on the lives and property of Jews—no xenophobic, and in particular no anti-American or anti-Soviet, words were to be heard. The events were of national importance, but nationalists were isolated.

In order that this remains so, the European unification process must act as the driving force of the German unification process. The European unification process should not be abused to hold back the Germans in the exercise of the right to self-determination, which is theirs too. Integrating the German and European unification processes is a joint task for the Germans and their neighbours in East and West.

The Bismarck empire arose out of the military victory of the alliance of German princes over France. It began with the annexation of Alsace-Lorraine and the repression of Polish and Danish minorities. The Berlin Wall was conquered peacefully. In contrast to 1871, the unity of the Germans today arises out of the emancipation of a democratic society from an authoritarian state. This links the Germans to their European neighbours' struggle for freedom.

At the economic, social, cultural, party, church, trade union and association level, the process of unification began long ago. In Berlin, citizens of a hitherto divided city are uniting. The divided parts of the city are being brought together again by new freedom of travel, new communications and new links. With no reorganization of the state from above, with no questions of status or national or international law arising, long-separated friends and families are finally being reunited. This is a new form of unity born of freedom, human rights and everyday necessities, not of considerations of constitutional law.

The majority of Germans in both German states is aware that the Germans can achieve greater unity only if Europe achieves greater peace through their unity. This awareness reflects the spirit and letter of the preamble to the constitution. In the process of democratization in Poland, Hungary, the GDR, Bulgaria, Romania, the Soviet Union and now Yugoslavia the healing of the past division of Europe, Germany and Berlin is beginning. Through the will to peace and democracy the Germans and Europeans can achieve greater freedom together.

From the legal point of view, the unification of Germans in this spring will lead first to close coexistence of the two German states, then, it is to be hoped, after free elections in the GDR, to a confederation between them, and finally to a Federal German state integrated into a European structure. I am in favour of the highest degree of unity that can be achieved at the various stages. The right to self-determination includes the right to various results of the exercise of that right. It therefore goes without saying that Federal German politicians should not try to tell the population of the GDR how it should decide.

A process of cooperation that to a confederation of German states with equal rights can be reconciled with membership of various alliances and economic systems in the foreseeable future. The prospect of a confederation is therefore in the foreseeable future the realistic alternative to the divisions of the past. In a confederative process even the answering of fundamental questions about the status of Berlin and the rights of the allies in regard to Germany as a whole could be postponed to some future date. The direct election of Berlin's representatives to the Federal Diet and the regulation of German-German air traffic, including that serving Berlin, is nevertheless required this year. Even some of the conditions in the Federal Republic's bilateral treaties with the United States, France and the United Kingdom from the 1950s are politically outmoded, because they are irreconcilable with the principle of equal rights in the alliance. They should therefore be speedily reviewed by mutual agreement.

Those who are prepared to discuss the unity of the Germans in a federal state must also be prepared to discuss membership of the alliances. Unity in a federal state cannot be achieved through admission of the GDR to NATO. This would be neither realistic or desirable. I consider the alliances to be still necessary for the foreseeable future, but I am striving to transcend them in a European order of peace. It is also clear from this, however, that a few more years must pass before unity of the Germans in a federal state can come to pass.

The CSCE Final Act is a good signpost on the path to a European order of peace, in which Europe overcomes the tensions and divisions of the cold war without relapsing into the fanaticism of nationalism. On the path to a European peaceful order, the Germans and the former victorious powers should abolish, in one or more stages, the former victors' rights, through international law transcending the blocs. A Summit conference of all states signatories to the CSCE Final Act to this end is in the common interests of the states and peoples of Europe. Insofar as states with equal rights agree, in the CSCE process and in the Vienna negotiations, on their political rights and duties in regard to peace and security in Europe, provisions that are formally reserved for a peace treaty between the former victorious powers and Germany will at the same time be substantially anticipated.

Chairman NUNN. Thank you very much, Mr. Voigt. You have given us a lot to think about this morning.

Mr. Petersen, will you go ahead and introduce all who will be speaking this morning.

Mr. PETERSEN. I would like to give the floor, Mr. Senator, to our colleague, Monsieur Boucheron, from Paris who is your colleague, your counterpart in the National Assembly in Paris.

Chairman **Nunn**. M. Boucheron, we are delighted to have you here and particularly delighted to have you in your capacity as our counterpart chairing your important committee.

STATEMENT OF JEAN-MICHEL BOUCHERON, CHAIRMAN, DEFENSE COMMITTEE, FRENCH NATIONAL ASSEMBLY, PARIS, FRANCE, AS TRANSLATED BY ALEC TOUMAGAN AND ELIZA BURNHAM

M. **Boucheron**. Thank you, Mr. Chairman, for the honor you are giving us in having us address you today. I shall be brief because on these major issues I think a few clear ideas are sufficient.

The West—that is Europe and the United States—have just won a tremendous ideological victory over the East, but a great danger awaits Europe, and I will give a name to this danger. It is neutralism.

The paradoxical consequence of this ideological victory would be that the Soviet Union would finally have achieved its eternal longstanding dream of achieving a neutralized Europe that would be cut off, decoupled from the United States, and this ideological victory would, in fact, turn into a political defeat.

At times one is tempted to set up a comparative balance between the Warsaw Pact and the Western alliance. This is absurd because the Warsaw Pact is not, in fact, collapsing today. It has never existed. The Warsaw Pact today is merely occupying troops that are being forced to withdraw under popular pressure.

The Soviet Union never speculated or never relied on the Warsaw Pact nations' capacity to mobilize troops in the event of war. In any event, it is certain that that has been true for 10 years now.

The question that remains for the alliance is, what is its use? Is it for the global defense of Europe? Is it because the pressure exerted by the Soviet Union is decreasing?

If, indeed, there is a reduction in weaponry, this should entail a qualitative decrease in its capability, and we will see that if indeed this means reduced firepower on the Soviet side.

The second role for the alliance is to deter against intra-European microregional conflicts. As you know, the history of Europe was, so to speak, put in the freezer in 1947, and today we are witnessing the opening of the door to the freezer, which means that many processes that had been stymied for all of these years are beginning to be reinitiated.

There is a very simple reason for this. European borders are entirely artificial, at least its eastern borders. How many national minorities in various countries are demanding to be reunited with their ethnic counterparts in neighboring countries? How many republics here and there are clamoring for their independence, including within Soviet borders? And many old, longstanding phenomena that we had thought died down are being reignited, and I am thinking in particular of Yugoslavia.

So, I think that the alliance plays a role as the force for structures, a structuring pole which acts as a deterrent to some countries.

And, finally, the alliance has a global role to defend our values of economic freedom and of the struggle for human dignity. These values are not universal, not in the East, not in the South, and not in the Far West or the Far East across the Pacific.

In addition to its role as a focus, as a structuring focus in the military sphere, the alliance also provides this focus in the ideological sphere, and I think that this is ever more decisive today in Europe. The Soviet Union has lost its dogma, but it will seek another dogma to replace it. One does not know as of yet what that will be, but it can certainly give rise to much uncertainty and concern.

And that is why I would like to express a hope for two things to happen: first of all, that the alliance should continue to be a stabilizing structure within Europe and, second, that the other institution which is a stabilizing structure in Europe, and that is the European Economic Community continue to strengthen its ties with the United States because I would find it highly paradoxical if ties between the European Economic Community and eastern countries were to increase while the ties between the community and the United States did not increase in a commensurate fashion.

And that is why I hope that our value system of peace and our system of economic values can be strengthened. Thank you.

Chairman NUNN. Thank you very much, M. Boucheron.

Mr. Petersen, do you have any other members that would like to make a statement before we get into the dialogue?

Mr. PETERSEN. Mr. Chairman, I would like, if you allow me, to say a few words, not in an attempt to sum up because we have different views or opinions or points of view and, as you requested, we have all prepared a statement in writing which we will leave here for the protocol.

I would just like to highlight one or two points if I may.

Chairman NUNN. Your entire statements will be part of this record without objection.

Mr. PETERSEN. I would like to underline one or two points because you will understand that as a German this is a tremendously exciting, moving time, and we have to assess and think through, I would almost say, with a very warm heart and a cool brain what the next steps have to be.

I do not agree with Karsten Voigt on a number of points, but that debate will happen in Bonn. We do not need to carry this to the Senate of the United States.

In the last 5 or 6 years I have come every summer for a week or so to East Germany as a tourist, and I remember last year I drove from Stralsund to Rostock on the Baltic Sea, a beautiful part of the country, when a policeman stopped me and informed me that I had exceeded the speed limit, and I said, Officer, I am sorry, but there was no traffic and I have a big car and this thing runs itself faster than it should.

Chairman NUNN. Plus, you are not accustomed to a speed limit, right? [Laughter.]

Mr. PETERSEN. That, Senator, is a myth. It is only on 4 percent of our roads that we do not have a speed limit, on some of the Autobahns.

Anyway—I apologized and tried to pacify the man because I knew it cost a lot of money in German hard currency, and he had his book out, and he said what are you doing here anyway. And so I said, well, what do you mean? I am a German, and this is my country. And the policeman who was about 45 or so got tears in his eyes, and he shook my hand and wished me all the best and forgot his ticket.

Now, at that moment I knew that we are still one people, and that perverse border through the middle of Germany did not change that one bit. And I believe it is very important for the alliance that we understand this.

We have to be, as democratically elected leaders, sensitive to the deep motivations of a people and, therefore, the first point, not a warning, but a plea, that I would like to express is that there are the four-power rights over the whole of Germany and in Berlin. Please do not use these rights as a break in a development which millions of people have taken into their own hands. Otherwise I would be afraid of a backlash which would not help anybody.

My second point, in the eastern countries which are now being liberated in a very exciting progress, you have to face the fact that it was not Stalin and Ceausescu or Ulbricht or Honnecker alone who mistreated their own people. Many, many people were involved in this. As a German I am an expert in this.

Hitler was not the only criminal in Germany even though many Germans tried to portray him that way. And unless we help those people to face their own past honestly, they will not have a future because the young generation will refuse to identify with their own people. Also in that I am an expert.

The dishonesty of the older generation and the moral rigor of the younger generation has deepened the gap between the generations in my country and can only be bridged by the experience that freedom comes from honesty. It says even in the Bible. Honesty will make you—the truth will make you free.

So, I believe we need to pass this on. We should not preach, but we should realize this policeman, like SS men in West Germany in the last war and before, may be completely innocent, but he was also a tool, and how they deal with their past will be terribly important for their future.

Point three. Karsten Voigt accentuated one point on which I do not agree. It does not have anything to do with our friendship, and that is we cannot treat NATO and Warsaw Pact on one level. The Warsaw Pact is an instrument of suppression. Therefore, it is destabilizing. NATO is an alliance of free peoples which are committed to common values and, therefore, it would be fatal and my government certainly would not go along if we were to say, all right, the East Germans withdraw from the Warsaw Pact, we withdraw from NATO and become a sort of loose cannon on the deck of the European ship.

NATO is an alliance of free peoples, and if the East Germans become a free people, naturally, they will be part of NATO. We could, of course, guarantee to the Soviets that we would never station any NATO troops or weapons in the territory of East Germany, but please help us that we do not get into this fallacy. I have heard these words here, too, in Washington that we think the solution could be dismantling the two alliances. NATO will be more important in the future because it is the only legal network through which and in which the United States and Canada remain European powers.

We will have to concentrate more on the political side of NATO and we will together—and there I agree with things which have been said before—because in careful consultation we will bring down our weapons. But NATO is not only weapons or soldiers. NATO is far more important, and I believe we should put our best brains together to strengthen.

One more point—and Mr. Karsten Voigt has alluded to that—you cannot draw a line anywhere in Europe which clearly divides two people from another. If you draw that line, you always have millions on the wrong side.

It is terrifying to see how the Poles have demands, territorial demands against the Czechs and vice versa, how bitter the Hungarians are by the way their own minorities in Rumania are treated and vice versa. We have tremendous conflicts within the Soviet Union on the issue of borders and, gentlemen, national borders which divide peoples are a relatively late invention. It was invented through the French Revolution 200 years ago.

In Western Europe we have made great strides to open borders so they do not divide peoples anymore and, therefore, the geography of these borders is not interesting anymore. And borders, I see the only danger of real conflict in borders in the eastern part of Europe which are, of course, disputed and, therefore, I would plead—I am not interested in the geography of borders, but the quality of the borders, and that we pass on that lesson to the east—that the borders which divide people and, therefore, are reason for conflict, are overcome. The only safe borders are open borders. That ought to be our message in Western Europe.

My last point is, as I said, I have been in East Germany, in the other part of my country a number of times, and I would like to encourage every American Senator and Congressman to come visit it because there is history being made.

I would volunteer as a translator. I am an excellent interpreter. I used it as a student. I have taken Bill Roth to an unforgettable visit we had in East Berlin when everything was tight, and I would say anybody who is involved in making history, as the U.S. Senate is, should please come to Berlin, to East Germany, and see for themselves how we can help assist the people to come together.

Thank you, Mr. Chairman, and now I would suggest that you ask questions of any of my colleagues. Many of them have a lot of things to say, and we are at your disposal.

[The prepared statement of Mr. Petersen follows:]

PREPARED STATEMENT BY PETER PETERSEN, CHAIRMAN, SUBCOMMITTEE ON DEFENCE COOPERATION (NAA)

It was Victor Hugo, I believe, who has said, "there is nothing more powerful than an idea whose time has come."

These past months and weeks have shown to the world how true that is. The idea of freedom has gripped millions of people in the Eastern part of Europe, including my own country. There seems to be very little that Washington, Moscow, Bonn, or East Berlin and their governments can influence.

The Communist governments in Eastern Europe had all the power regimes without moral or legal constraints could have: armies, police, a network of informers—the people have a dream which we used to call in the old days "The American Dream."

Today that dream belongs to all men everywhere. It includes the hope for a decent home, enough food, a chance in life for the children, but even more they long for a life in dignity, the rule of law, the freedom of choice of travel, of religion.

It became obvious, even in Russia, that the Communist dream is a hoax: the vision of a new world of justice, where everybody would give what he could and get what he needed has ended in a dead-end.

When it also became clear that Russian tanks would not be at the disposal of Communist governments any longer, as they were in 1948 and in 1968 in Czechoslovakia, 1953 in East Germany, 1956 in Hungary, and time and time again in Poland the people lost their fear, and so without a window being broken hundreds of thousands suddenly went to the streets and the dormant dream, became a flame that swept away the tyrannical Communist governments in one country after another.

Only in Romania thousands sacrificed their lives before the Communist government which used army and police ruthlessly, was overthrown.

We the people of the free world and their elected governments and representatives have a historic chance and face a tremendous challenge.

Up to now we have been observers—delighted, moved, happy—and we lost our fear of an immediate threat from the Warsaw Pact.

What are the questions we have to answer:

What does democracy mean? How does it work? What is freedom?

America has left it largely to Madison Avenue and Hollywood to portray her picture to the world.

Obviously freedom is not license.

What are the basic values we are committed to and which inspire so much more than what Karl Marx had to offer?

A German is reminded of the time after the war when the allies liberated a country in ruins, not only our cities and factories were destroyed, but also the moral basis of a supposedly civilized country was poisoned and perverted. Auschwitz became a symbol which we must never forget. America came with Marshall aid which we also should not forget. Understanding that my country needed to get the poison of the Nazi ideology out of our blood, they started a program of Denazification. We lifted the statute of limitation and to this day prosecute people who, in the name of all of us committed unspeakable crimes.

Should we not apply some lessons of these years? In a very moving and personal book, I found a sentence Henry Ford once said, "We ought to think of our own country as a servant of mankind, a trustworthy and righteous nation whose joy it is to help all peoples toward peace and progress." And he added, "except for idealists, there would not have been a United States." (James Newton—UNCOMMON FRIENDS)

It is our task to help the peoples of Eastern Europe to overcome their past. It certainly was not only Stalin, Ulbricht, Honnecker, or Ceausescu alone who committed terrible crimes against their own people.

Preaching will not help, but without honesty in facing the past, there cannot be a future because the young generation will refuse to identify themselves with their people. We Germans know that. I was with Elie Wiesel in Berlin where a student, when asked whether they ever talked about Aushcwitz in his family, said "of course not—I do not know whether my father is a murderer."

I said we should not preach—the Americans should have left the Denazification to us Germans—for where else can these people turn to if we in the democratic countries do not give an answer?

One word about economics: Students for generations will write their doctoral theses about what happens when a successful market economy meets suddenly a state economy where nothing works. We will have to help—and that costs money, but more important, we must create the legal framework so that the private sector can get engaged and so that people—workers, engineers, managers from our side can share their experience and philosophy.

In no area of the world are concentrated more weapons than in Europe. The talks in Geneva and Vienna should be speeded up with more imagination. The superiority in numbers of weapons of the Warsaw Pact has not disappeared, but again what is the Warsaw Pact today?

A Soviet General, Chief of Staff of the Warsaw Pact Forces, by the name of Lobov, said to me that the armed forces of the Soviet Union and her allies is the only part of society that is intact while all other areas are in transition. I doubt whether that is true and I am not sure he believes it himself. I would like to warn of the idea that the dissolution of the Warsaw Pact and of NATO, in parallel steps could be part of a solution.

You cannot compare NATO and the Warsaw Pact: NATO is an alliance of free people committed to the same basic values. The Warsaw Pact is an instrument of suppression. Therefore, NATO is a stabilizing factor and the Warsaw Pact is destrabilizing.

Let me close with a few sentences about the German question:

We are one people. Even the division by a wall and an iron curtain has changed nothing in this respect. I was in Berlin on November 10, 1989. I shall never forget the joy and tears of those who came through the suddenly open wall. On this day young people danced on that same wall in front of the Brandenburg Gate where President Reagan not long ago implored Mr. Gorbachev to tear down that wall.

We Germans will remain in NATO because we need it as an instrument of stability. NATO provides the legal framework by which the United States and Canada remain European powers. When Germany gets united—in whatever form—the whole of Germany will become part of the Alliance of Free Nations. We could naturally give guarantees to the Soviets that no NATO troops would be stationed on East German soil.

The idea that East Germany will leave the Warsaw Pact and we resign from NATO and the whole of Germany would be neutral, we would certainly not accept!

People in East and West shudder at the thought of 80 million Germans (almost as many people than France and Britain together) would become a neutral power between East and West and a loose cannon in the deck of the European ship.

A stable Western Europe including all Germany is necessary also because in the East, after Communism has failed and Russian domination is waning, nationalism could take its place. Zbigniew Brzezinski has pointed out that of the Soviet Union's 290 million people, about half are Russians. The other 145 million are dispersed among 14 main nations in other Soviet republics. A few examples:

In Estonia live 25 percent Russians, in Latvia 30 percent, in Kargisia 30 percent, in Kasachstan 60 percent Russians and Ukranians. In Ukrania 20 percent Russian. In Armenia and Azerbaijan each has large minorities from the other. In the former satellites who are becoming more or less independent of Russian domination the situation is even more frightening.

Yugoslavia consists of 6 people dominated by the Serbs—9 million of the countries 24. In CSSR 10 million Czechs have often tried to dominate 6 million slovaks. Poland has territorial claims against the CSSR. Such claims exist also between Poland and Lithuania and the Ukraine. Czechs and Hungarians resent the way people who form minorities in the other country are treated.

Romania has claims against the Soviet Ukrainia over Bessarabia. These are only some examples Brzezinski listed.

In Europe we know that border disputes have time and time again led to armed conflict.

Nowhere in Europe can one draw a line that clearly divides people from one another. For many centuries we have lived without borders that divide people. So any line will leave millions on the "wrong" side.

The only safe border is an open border. That we have learned in Western Europe. The borders between France and Germany or between Denmark and my country—for generations are cause for conflict and war—these borders do not divide people from each other any longer and so nobody is interested in their geography. A conflict is unthinkable.

We have learned the lesson of closed borders. I hope that we are able to pass on that lesson to the East because the borders as they are today are the only cause of conflict or even war that I can see in Europe.

As for Germany, in 1954 we signed a major agreement with our allies which is the base for Germany's membership in NATO. In it's Article VII it states that the United States, Britain and France commit themselves to pursue a policy with the Germans at the end of which the reunification of the German people can be achieved, on the basis of a constitution similar to the one in the Federal Republic.

I have no reason to doubt that you will continue to help us to get there. With open borders to the East and to the West, with a deep commitment to democratic institutions and the rule of law we will never be a threat to anybody. With your help we Germans have learned our lesson from history and together we now have the chance to create a truly peaceful world.

Chairman NUNN. Thank you very much. You have all given us a great deal to think about and made a real contribution to our hearings both this morning and overall.

There is no way to distinguish between the present and the future in a clear sense because what we do now is going to have an effect on the future, and we have to have some vision of the future to make decisions about the present. But the thing that is going to be a focus in our committee is actually a two-pronged approach.

We are going to have to make decisions this year on the budget with all sorts of raging controversies. A lot of bases are being closed, hopefully none in Virginia or Georgia or Delaware, but nonetheless none of us are exempt. A lot of different aerospace industries and others are in excess in terms of capacity, and there are going to be pockets of adverse effects all over, and in that atmosphere of concern about the constituents, which is understandable because and that is what we are all here for, we have got to try to make some present decisions that fit into a long-term scheme. You have helped us do that this morning.

My concern is in how we deal with what is going to be a sort of messy situation as we see more hope in the world and as we see an opening-up for the next couple of years. It is easier for me right now to see where we are going in the next 3, 4 or 5 years than it is to see how we deal with it in the interim.

For instance, I think German reunification is inevitable, and I believe that we are going to see a de facto reunification. That is already occurring, and I think it is welcome. That is, after all, what our policy has been for 40 years, and I think we ought to welcome that.

The question is, what happens as we get there? What happens with the large number of Soviet forces in East Germany? What happens with the large number of forces on the western side? How do we deal with the situation that things are out of synch in the sense that political developments in Germany are moving much faster than arms control?

One of the statements here this morning said, and I agree with this completely, that European unification should lead the way toward German reunification, but the difficulty as I see it is that German reunification is coming much quicker than European unification.

I do not think we have until 1992 to make some decisions that affect us now.

This gets to my question. Karl Kaiser testified yesterday, and he used a rather descriptive phrase in terms of his view of what is happening. He said, we are achieving unification through chaos in Germany now. He was not against it, he was very much for it, but he hoped it could be made a more rational process.

He outlined a transition phase, and I would like for particularly Mr. Voigt and Mr. Petersen, but also Mr. Duffy and M. Boucheron, to comment on this. He outlined the transition phase in which the two Germanies would be confederated, but with the eastern half remaining in the Warsaw Pact with a reduced contingent of Soviet troops still deployed there, the western half still in NATO with allied troops from the United States, Great Britain, et cetera, pulled back from the forward areas. No Western troops in Eastern Germany.

Now, he was projecting this after CFE I, I want to make that clear, and what he was basically describing was a political, economic unification and a confederation and with military forces being—they were not German forces—being pulled back, but still on the NATO side being very much a part of the alliance.

I am not asking you to say yes or no on that, but I would like to use that point as a point of questioning as to your views about how we handle the next couple of years, particularly since the Soviets have said very clearly that they are certainly not in favor of a unified Germany until certain changes are made, if even then, in the military equation.

Let me start, Mr. Duffy, with you on that one, or Mr. Voigt, maybe you and Mr. Petersen could comment on it and then we will ask any others.

Mr. PETERSEN. In principle, I have nothing against these things unless and as long as we realize—and this is irritating, sometimes even amusing—that it does not really matter very much what we try to do in Bonn, or what the people in Moscow or Washington or London or Paris do or say.

We have, in my experience—and I have been in parliament for 25 years—a first experience that people have taken over peacefully, and we now have to run after them and try to figure out what framework we can use, and this is very important of course, but the influence of governments is not as big as we all thought.

Now, to the specific questions, of course there will be a democratic election in East Germany and that newly-elected democratic parliament will have to decide these questions, Mr. Chairman.

You brought up, should Russian troops remain there? Should they join our alliance as part of the whole Germany? Can a federation, or confederation, be part of two alliances at the same time? All these things will have to be worked out with them.

What I am warning is that we are sitting here at a green table far away and could work out—I apologize for not being a lawyer—work out some legal framework which is not adaptable to the actual situation.

You must realize people are very impatient in East Germany because they have been betrayed for 40 years of their life. Therefore, you are quite right to say we cannot wait until 1992.

I think what we have to emphasize is the commitment to basic values of human dignity, rule of law, the things we are standing for and which have been so effective, and so infectious. On that basis, we will work out the legal questions, the questions of alliances, as long as we do not mix up Warsaw Pact and NATO and put them on the same level. That is not where they belong.

Mr. VOIGT. I think in the terms of the society—of currency and economy and culture—the unification process has started and will, so far as certain elements are concerned, be completed soon.

For example, the churches are united now, and the Social Democratic Party is not only a party which exists in West Germany now, it is now a strong party in East Germany too, and to a certain degree we have a confederation already.

So it means in terms of society, culture, economy, the unification process is going on and should not be disturbed by anybody, and is not disturbing anybody in terms of security. I think we Germans have to respect, and it is in our self-interest, that it is not only decided by the people and their emotions, but that we take into consideration the interest of our neighboring states, including the United States.

Central Europe has caused—and German policy has caused—two wars, and it is in our interests, and it has to do with our history and our geostrategic situation, that we take this into consideration.

This means that in the foreseeable future, in the next years, the two alliances will still exist and American and Soviet troops, but also French and British troops, will be deployed in Germany. They should be deployed at much lower ceilings.

They must not be deployed, as Karl Kaiser rightly said, directly at the borders, but this means that they will still be there, and this means on the other side that we need the step by step approach between the division which we have now and the future federated Germany in the federated, or confederated as Mitterand would say, Europe.

But the confederated Germany which belongs to two different alliances, but where we have all the unification processes on social and economic levels and church level and party level, this is one element, but a confederated Germany in which you still have the alliances will merge step by step to a different security system in Europe.

This is out of Vienna, or out of CSCE, or out of agreements between East and West. I think it is a realistic step between the two things—division, and as united confederated Germany in future. Therefore, I agree with the perspective. I endorse it, and I think if we take that into consideration we would also work in the interest not only of Germans but also of our neighbors, east and west, and this is our responsibility to tell that to our people.

Chairman NUNN. Are there any other comments on this particular question?

Senator ROTH. Mr. Chairman, I know you are very interested in comments from the foreign country of Delaware, but I do want to make one observation and then I will withdraw, because I think we ought to use this microphone for any in the rear that may want to contribute.

I think one thing that is clear, as we talk about the confederation and unification, or whatever you want to call it of Germany. And that is that it is critically important to understand that the NATO alliance continues to be important as a stabilizing element; that it is important, I think, not only to the West but to the East as well, and that, as my friend from France said, this whole purpose of NATO in the years ahead is much more sensitive and critical than it was in the past.

So long as we were concerned only about the threat from the east it was in one sense relatively simple, but now we have to fulfill a stabilizing role, the role of ensuring that the confederation or unification of Europe is done in such a manner that our other friends and allies do not feel threatened.

There is no question as to what the German people want. At the same time, there is no question but there is much concern elsewhere at German developments, and that NATO will have to play a key role in stabilizing the situation.

Chairman NUNN. M. Boucheron, did you want to address that point? After these comments, I will yield to Senator Warner.

M. BOUCHERON. Mr. Chairman, the question that you ask leads to a broader question. History in changing will lead to upheavals. The simple question is, who will play a stabilizing role in Eastern Europe?

Will it be the Soviet Union, which has lost its legitimacy in that part of the world? Will there be no one, which of course could lead to possible serious conflict? Will it be us, who have had no traditional role on that side of the Iron Curtain?

We came very near to experiencing this absurd situation in Romania. Let us imagine that Ceausescu's troops had resisted more than they had, that there had been massacres, even a genocide.

What would have happened if Moscow had said it would not intervene? We had said that it would be difficult for us to intervene. That situation could recur elsewhere, because the future is unpredictable, and who knows if Mr. Gorbachev will be in power, say 15 days from now?

In general, I think that the less Soviet troops there are in Eastern Europe, the better it will be, and after we will have to see how we are going to manage the situation.

Chairman NUNN. I think your point on Romania is well taken. I could not have imagined, and I still must say I have real misgivings, about an invitation that went out from very high quarters in the West, both in your country and in mine, inviting the Soviets to go in and use armed force in a country that just, 1½ years or 2 years ago, was accorded the most favored nation treatment because they had kept Soviet forces out. That is changing a little too quickly for me.

But your point about the vacuum that exists in Eastern Europe, and will be increasingly evident as the Soviets move out, is a very important point. I want to get on many other subjects before we conclude, but I want to yield to my colleague, Senator Warner.

Senator WARNER. Thank you, Mr. Chairman, and I would like to pick up on that point and ask these distinguished ministers and persons who represent their constituencies in parliament, should NATO change its charter? What is the role of NATO when these disputes, as Mr. Petersen said, break out?

Should we move in to try and help the emerging democracies in Eastern Europe maintain law and order, or will there be a vacuum and will the Soviet Union then have to come in to assist? We can anticipate problems that require some measured use of force to restore border disputes, ethnic disputes. Which nations are going to step up and provide that?

We are fortunate that this remarkable revolution against communism has occurred by peaceful means. Too little recognition has been given the churches in all of those countries in their steadfast counseling to the people that their goals and desires, liberty and freedom, could be achieved by peaceful means, and they did that basically with the exception of some one day, I believe, in Czechoslovakia. Change was brought about by peaceful means.

But now, if certain segments of those nations fall upon each other over border disputes, ethnic disputes, religious disputes, does NATO have a role to play? Do we have to modify the charter?

Mr. Petersen.

Mr. **PETERSEN**. Senator Warner, I do not think we have to modify the charter. The charter simply says we are an alliance of free peoples and if one is attacked it is regarded as an attack on all.

Point two, the Federal Republic joined NATO. The very basis was the treaty of 1954 in which we committed ourselves, you Americans, the French, the British and we Germans, that together we would pursue a policy at the end of which would be the unification of Germans on the basis of a constitution similar to the one of the Federal Republic, Article VII of that famous treaty.

This reaction to say, "please; not so fast,"—we have reaffirmed this Article VII once a year, the last time in March in Brussels, but this comes a bit too quick—is really not the attitude we need, and we as Germans, we have no reason to doubt that you would help us to finally get there.

Senator **WARNER**. My question is, a dispute between Hungarians and Romanians.

Mr. **PETERSEN**. NATO cannot interfere.

Senator **WARNER**. I want to make that clear, we should not involve ourselves in that dispute. If it is the judgment of others that force is needed, that force will have to come from elsewhere, right?

Mr. **PETERSEN**. It certainly could not be NATO troops in my imagination.

Senator **WARNER**. I would ask others, but that certainly would be my view, that NATO cannot get involved. We should continue to adhere to the basic charter that has worked for these many years, and we cannot become the policeman of the disputes that could arise in the Eastern bloc.

Mr. **PETERSEN**. Quite true.

Senator **WARNER**. I would ask if there is unanimity on that?

Mr. **DUFFY**. I do not think such a role as you suggested, Senator Warner, would either be politically acceptable across the alliance, nor would it be practical on security grounds for the alliance.

Nevertheless, you do remind us of a contingency that may very well arise, and clearly we have to be looking forward and perhaps urgently now toward an over-arching framework of security based on both alliances within which peaceful political and economic change could be accommodated.

Senator **WARNER**. We continually hear that NATO has a future role because of the instability in Europe, and this is a category of instability that we would not address with force. I want to make that clear. That is my point.

Mr. **VOIGT**. President Bush, rightly at a meeting with NATO leaders, proffered that the European Community should coordinate economic assistance, and what we can do to stabilize Eastern Europe is to put money into it, but not military forces.

The only area where we can insert forces is after we have agreed upon a disarmament agreement between East and West. There will be inspections from east to west to verify and inspections from the

West to verify in the East. That is also a new element for European security structure.

But we should not, under any circumstances, send in any forces any other way, for this would not solve problems, it would increase problems, and increase the danger of war between East and West.

Senator WARNER. I agree with you wholeheartedly. I am glad you pointed out the important point of verification procedures which we hope will evolve from the Geneva talks, primarily, and of course as it relates to the Soviet Union and the United States from the talks—excuse me, in Austria—for the CFE and in Geneva for the START.

Now, gentlemen, we are parliamentarians on both sides of the ocean, and here in the United States, it is understandable, our citizens are pressed desperately at home for all types of requirements for added spending by the Government, be it education, health, or—this morning as I was driving in, the radio was consumed, not with the loftier issues of NATO, but with the potholes which were delaying people getting to their work.

From potholes to education, there are requirements for added funds. What are you experiencing in your own parliaments with respect to the clamor of the people for a peace dividend, and how do you answer those questions?

Mr. PETERSEN. Senator, I wonder whether some of our people from other parliaments could come into this discussion? Otherwise we might focus too much on Germany.

Sir JOHNSON SMITH. We are getting plenty of clamor. There are plenty of potholes around the British roads.

Senator WARNER. Well, after this major storm you have had, I am sure

Sir JOHNSON SMITH. And there are problems of homelessness. We have to devise a more stringent policy, just as you are in the process of doing, and so I think you will find in every country there is a pretty good shopping list our constituents have to cash in on the peace dividend before we have actually earned it.

I believe we have a very great responsibility here, and the responsibility is to tell the truth. There is not a substantial peace dividend. How can there be, if we are to act responsibly?

You have heard today from my distinguished colleagues, and there is great unity amongst us all. We know we face a very uncertain future. We know it is a messy situation. We know we are all desperately trying to get a bill done. We have not yet got the substantial agreement, and some people are already talking of how we spend the dividend, as I say, before we have any agreement.

What I think our electorates need to be told is that we are working as passionately and as hard as possible to arrive at a sensible, verifiable agreement which will help us to win the peace.

If we have won the fighting war and we never had a peace treaty, and then we got into a cold war and we won that, as M. Boucheron has said, we have now got to make sure we do something we did not do in 1919 and we have not yet done after 1945, and that is to win a certain, sure peace that will stick. That is when we can start talking about dividends.

In the meantime, you and I know that we face, I think with some degree of optimism, the possibility of an arms agreement which will enable us to reduce, to some extent, the defense burdens we all share. But of course it will take time, as we know and as I have underlined, before we can really talk about shifting those financial resources, in some recognizable and substantial way, toward meeting some of the problems that you have outlined and I have. Thank you.

Senator **Warner**. Would there be another parliamentarian that wishes to address these questions?

Mr. **van Vlijmen**. Sir, you are right, we all have this problem in our constituencies, and I would emphasis what my colleague from Britain said. Peace is not yet there, and that is a difficult story to tell.

Therefore, I very much like the points that were made about new roles of NATO. We should be able to give it a new dimension, a new shape, that it is not as much a military alliance as it seems to be during the cruise missile discussion, but that it is a political alliance.

If I may add a few sentences to that, it could be that Gorbachev is just a better driver in the same old car. We do not know. But it seems that the car is changing and the major point, in my opinion, is that not only the Soviet Union but also Russia is giving up its imperial will, and the measurement in which they are doing that is creating the problems and is creating that feeling that M. Boucheron was talking about.

If you look at Lithuania you get a quite different problem from the Polish question. If you look to Poland and GDR you have two different problems, and they are so complicated because we do not know how—I cannot find the word, but how thick or thin this is, and it will change again and again, depending on the position of this perestroika movement in the Soviet Union itself.

That is very difficult to answer too, and as long as this uncertainty is still there, I think we are able—we must be able to convince our people that the time to bring down the bridgeheads in a big way has not yet come.

We still have to stick, and as Sir Geoffrey Johnson Smith says, we have to find what a new Europe will be, and for my country, if I may say a few words to my colleagues in a certain way, we will not accept a unification of Germany so to say, it can only be in a united Europe with the Poles, with the Czechs, with the Romanians, with all of us in a bigger solution, and that will be the environment to talk about a German unification. Thank you.

Mr. **Petersen**. I wonder, Senator, if you would also give the floor to Mr. Jopling from Britain.

Mr. **Jopling**. Mr. Chairman, I hesitate to inflict a second British view on you. I crave your indulgence.

I just want to make a comment about the so-called peace dividend. I think there are two aspects of it. First of all, the possibility of peace dividend in the event of the successful combination of various disarmament discussions. We have had INF, the possibility of START, the possibility of a successful CFE in Vienna.

The evidence which we have had in Britain, and I speak as a member of the Foreign Affairs Committee of the House of Commons, is that in the event of INF being followed by a START treaty and a successful conventional weapons disarmament treaty, as far as Britain is concerned we do not look to enormous possibilities of reducing the defense budget, because the successful culmination of those treaties, our committee has been told, will mean a good deal of extra expense in reorganizing defense forces to the new postures which are agreed in those discussions.

So I think that—I cannot speak for other countries, but certainly for Britain, the possibility of a defense, or of a peace dividend, may well be exaggerated.

That brings me to the second aspect of a peace dividend which might occur if various states within the NATO community were to jump the gun and to carry out a degree of disarmament which was in excess of what was agreed in the various treaties.

Now, we already have evidence of this happening, and I suppose that is the peace dividend which might have been the most substantial one, but I think it would be infinitely the most dangerous one, because again we have constant discussions as to what is happening in Eastern Europe, as to whether it is irreversible or not.

I think probably with regard to many of the Eastern European countries, where populations have risen up in the last few months and asserted themselves, that change probably is now irreversible. But I most profoundly do not believe that the changes within the Soviet Union itself are irreversible.

We have spoken this morning about whether or not Mr. Gorbachev can remain in his present position of power. It is a toss-up, but in my view the possibility of a return to the bad old ways is something we must not discount, and if we do, it would be at our peril.

That is why I believe that certainly this assembly that we are all parts of—the North Atlantic Assembly—I think that we ought to give a great deal more of our attention to monitoring states within the treaty who do jump the gun and do disarm at a quicker rate than is agreed in the various disarmament talks that go on.

Those countries who wish to acquire, through optimism—through overoptimism—a peace dividend, that is the big danger which I see, and which I hope we shall not forget.

Senator WARNER. Mr. Chairman, could I comment on that? I certainly agree with that gentleman's perspective, that if one nation breaks it will make it exceedingly hard for the balance of us to hold the reasonable, steady and true course until such time as we can point to a mutual and balanced and verifiable arms control arrangement.

Particularly, we have not stressed this morning that while there has been some reduction by the Soviet Union in the numbers of tanks and certainly conventional weaponry, there has not been one single indication, fact or trace of evidence that their strategic nuclear forces have been diminished in any way.

To the contrary, they are still continuing with a very strong modernization program of their land-based nuclear forces, their air-based nuclear forces, and indeed the sea-based element, and therefore we have got to maintain a steady course in order to achieve reductions in those areas by virtue of a treaty and not unilateral actions of our respective parliaments.

Chairman NUNN. Senator Warner, let me just add, I agree with your overall sentiments and I would agree with the thrust of your remark on strategic weapons, but there are certain signs that the Soviets are cutting back on production rates in their bomber force, and there are certain signs that they are gearing their missile force to a START level.

We have also had clear testimony that they are trying to stay within the old SALT II limits which are not legally required, so as far as comparing strategic to conventional, there is no doubt about the fact that they are making their big moves in the conventional area. I personally welcome that, because I think that has been the greatest source of instability for a long time.

But there are a few small signs of hope on the strategic area, but your basic principle is correct that we still have a major challenge with strategic nuclear deterrence.

I would like to pose one question——

Mr. **Voigt**. May I comment? I only want to comment on one point where I think the German situation would lead to a drastic pressure on the defense budget.

We had last year more than 700,000 ethnic Germans coming from different countries to the Federal Republic of Germany. We expect this year more than 1 million. We have every day about 2,000 people leaving Eastern Germany, and they would only stay in Eastern Germany if they have an economic prospect there.

Our calculations are that we need about 1.2 trillion German Marks to modernize the GDR. Only a minority, not the majority of this money, has to come from the state, most from private investment, but when you look on the concrete problem, which we have in housing and in investing in the GDR and modernizing, so that we do not have 1 or 2 or 3 million refugees, if we have to solve it there will be an enormous pressure on the defense budget, and not only on the defense budget.

Senator **Warner**. We have enormous pressure on our defense budget presently that would be here even if Brezhnev were still in power. We have enormous pressure because we have a Gramm-Rudman target to meet, and we are not anywhere near meeting it.

We have now had the issue joined that makes it clear for the first time to the American public what many of us have known for a long time, and that is that our operating deficit is not coming down. We are reducing the deficit only through offsets of the growth in the Social Security trust funds, highway trust funds and airport trust funds, which the people pay taxes for to go for specific purposes, but which are being used to finance the general government. And so we have those pressures.

My point to our German friends is I do not know how in this country we are going to generate the political support if the level is kept at 275,000 on U.S. and Soviet troops in Europe—a 3-year reduction of American forces by 35,000—while our German colleagues are reducing more than that, and I am sure for your own reasons politically.

We can talk all we want about the NATO alliance, but you cannot sell that to the American public that we ought to be spreading out over 3 years a reduction that our German friends are going to be making more reductions unilaterally.

Mr. **Petersen**. May I just come back with one argument, Senator.

We are reducing because we simply do not have enough people. We have the world record in Western Germany in the birth rate in the negative sense and, therefore, we have to put more money into modernizations across the board, so we increase the mobility of the fire power because we simply do not have the soldiers.

Chairman NUNN. Because you did not make the decision to extend the length of the time of the draft which your military was urging for several years ago.

Mr. PETERSEN. You gave us the example of abolishing the draft in 1973. And it is very difficult, as you know, to demand from our young people to interrupt their lives, which they do, and we hold to that.

Chairman NUNN. But our NATO deployments are larger today than they were in 1973 when we had the draft and much larger than they were during the peak of the Vietnam war when, if we were ever going to have a danger in Europe, that was more likely the time.

Mr. PETERSEN. Senator, we are grateful for the Americans who are in Germany. In my own constituency at one count I had 32 American generals living, unfortunately, without a vote. We have no problems with them.

Chairman NUNN. Another subject we will not discuss. We have too many generals. [Laughter.]

Mr. PETERSEN. That may be so, but my point is we are tremendously grateful for the one-half million there if you take the dependents and mothers-in-law who live with us and are part of our community, and there are no problems. In fact, the American soldiers are quite popular with the girls and around the communities.

The demonstration that we have is yet terribly important. I do not know what will happen in 2, 3, 4 or 5 years. And what sometimes has irritated us, to be quite blunt, is the burdensharing discussion because we would like to sit together with our allies and find out how we can in the areas.

My committee, for instance, has addressed for years stuff that everybody reinvents the wheel and then tries to send it to each other. We could save a lot of money.

Chairman NUNN. I agree with you. I hope that we can find a way as we build down to specialize, and you have already mentioned something that caught my ear and maybe there is disagreement. You mentioned, as Karl Kaiser did yesterday, that increasingly there are going to be German forces on the front with the foreign forces in the West probably moving more toward the rear.

For a long time I felt that the forward areas, even though the U.S. would have some presence there were going to have to be handled increasingly by our allies, particularly the heavy forces like the tank forces.

I would hope that we and the parliaments could encourage our executive branches to begin discussing these things, whether it is along that line or some other line because collectively, NATO has outspent the Warsaw Pact every year for 40 years with conventional forces with one possible exception.

And yet all of us know that we have had to rely on nuclear weapons to deter not only nuclear war but also conventional war because we are duplicating all over the lot, and the Soviets are spending less than the Warsaw Pact collectively, than NATO, and have had an overwhelming conventional advantage which is very apparent now because they are going to be coming down here and we are going to be coming down this much to get to the same level.

So, my point is that your point is particularly apt. Now I think that we have got to start talking about military cooperation so that we begin to rationalize a presence between the United States and Canada and our European friends that makes sense for the taxpayers, and we have not done that well.

Our grand strategy has worked well, but it has relied primarily on the nuclear component of the deterrent.

Mr. **PETERSEN**. If I could make one point, Senator, please let us be very clear on that. You cannot have a war, conventional or otherwise, where you have a functioning nuclear deterrent.

I disagree with Karsten Voigt basically on this zero-option dream. It is a nightmare for me because anywhere in the world they have had 140 conflicts since 1945 with 30 million killed everywhere where you did not have a nuclear deterrent.

In Central Europe in spite of all the tensions we have had, we have not had a war because there was a land-based nuclear deterrent. For heaven's sakes let us not go into that area because it could very easily—some conflict between satellites or whatever spill over into the free part of Europe.

Chairman **NUNN**. Well, let me pose this question because this was going to be my next one on the nuclear side.

I agree with you. I do not think we should abandon our nuclear deterrent. We have got to maintain it. The question is, what kind of nuclear deterrent are we going to maintain?

It is very difficult for me to conceive how we are going to continue our posture with short-range nuclear weapons on the ground in Central Europe which cannot go beyond the borders, in many cases, of East Germany let alone East Europe.

Now, how are we going to continue to have a primary reliance on short-range artillery and other systems in a territory of people who are no longer in any sense our adversaries, but rather hopefully our friends on the Eastern European side, and indeed part of your own country.

If you get a confederation, how are you going to justify to the German public that we have hundreds, if not thousands, of nuclear weapons that are not going to be able to get beyond the borders of East Germany if we ever have a war? That is the question I have and, therefore, what kind of nuclear deterrents are we going to continue to have?

Mr. **VOIGT**. I think I would not try to justify it. I would oppose it. I want to get rid of the short-range weapons and these land based missiles, but I think you also have to take into consideration that the likelihood of war as a result of the political changes in the East has diminished and that the Soviet Union has become increasingly shy, risk-shy, at least concerning the East-West conflict and in such a situation, we need less flexibility in the so-called flexible response.

And I think that the nuclear deterrent, whether we like it or not, will continue to exist for the foreseeable future and might even go beyond a lifetime. This is more or less also a philosophical question whether you think the word peace is likely or not or desirable or not. But I think that we need less flexibility and no land-based system in at least for the Americans in Europe and of the Soviets in Eastern Europe. That is my opinion.

Chairman NUNN. Are you talking also about land-based? I distinguish between land-based and weapons that are on airplanes. Do you make that distinction?

Mr. VOIGT. I make the distinction for it is quite obvious that airplanes are not based specifically in one country, and they are not limited in their range, and so far not specific countries. I suppose either to the threat nor to the deployment, and this will change, not the military point, but the psychological point which is combined with it.

And so, if I make a distinction which does not mean that we will not have a dispute about one or the other modernization in that area, too, but there is a distinction.

Mr. PETERSEN. But I beg to disagree. Nuclear weapons as political signals to whoever might have dirty thoughts to move across anywhere, and these signals have worked perfectly all through these times full of tensions and full of difficulties. And, therefore, we plead; that is, the Government side in Germany, to keep land-based missiles in Europe.

Now, we have far too many. There could be far less. That same goes also for the short-range. We would have liked to have the START Treaty starting with the short-range than before we get rid of the longer range, but this is water under the bridge.

Chairman NUNN. Do you believe we ought to go forward with Lance modernization?

Mr. PETERSEN. I was afraid this question would come up, Senator.

Chairman NUNN. We have to decide on it in the next 2 months. You are talking about $100 or $120 million that we have got to decide one way or the other between now and probably June.

Mr. PETERSEN. I would plead that we carefully consult this issue and do not laugh because I have had personally——

Chairman NUNN. We agree with you on that. After we carefully consider it, what would you advise us to do? [Laughter.]

Mr. PETERSEN. I would modernize, but this is not the unanimous opinion. Either we have a weapon and then we have to have it modern, or we throw it away.

If I have a car that does not run anymore, I expect a new one to go faster and further and so on. Why did we talk about it so much?

If a weapon is out of date, we replace it. We have done it for 40 years in NATO. I would urge my government to sit down with your government. We would not like to have to make the decision now, as everything is so in flux, but we want to keep this decision open.

Chairman NUNN. Maybe you could loan us the $120 million. That is what we have got to decide. We cannot wait—we have got to make a decision this year on whether to spend $120 million in this atmosphere. That is going to be a tough one.

Mr. PETERSEN. But can we not wait, Senator, for a year or two before spending this $120 million?

Chairman NUNN. Well, that is possible.

Mr. PETERSEN. I would suggest that we put it off.

Mr. VAN VLIJMEN. Could I suggest as being a Christian Democrat like Pete Petersen, but I agree with Karsten Voigt in this matter to make it political, interesting issue.

I think you are perfectly right, sir. We cannot imagine any land-based nuclear armaments in the future of Europe, and as a matter of fact, we had the discussion with General Yasov also in Moscow, and he brought up we do not need them from our sides, even in the present position because you have so many nuclear plants all over Europe, and they can be attacked by conventional means. And then you have a Chernobyl accident, as he described it, and so I think it would be very wise to have a strong strategic nuclear deterrent.

But, of course, you need to get a linkage to Europe and that European linkage could be at sea and certainly in the air. I fully agree with you.

Chairman NUNN. Would you make the same distinction I am making between airplanes stationed in Europe that have nuclear capability and ground-based systems?

Mr. VAN VLIJMEN. Yes.

Chairman NUNN. So you would believe that the air system would be a definite difference?

Mr. VAN VLIJMEN. If the range is long enough to get to the targets they have to target.

Chairman NUNN. The other advantage is that you get airplanes that can be stationed in many different countries. I have about three more major questions that I want to get into and, M. Boucheron, I want to ask you a question.

Mr. PETERSEN. M. Boucheron had asked and also Mr. Duffy, so that if they could have a short intervention before you come to your next question.

Chairman NUNN. Absolutely.

M. BOUCHERON. I wish to say regarding the issue of nuclear weapons that nuclear weapons are a psychological weapon, and I think personally speaking on European soil, I think it is of little interest to talk about where they are launched from, but it is more interesting to talk about where they might land.

One has to show or display one's will to defend one's self, so that is why one needs to have nuclear weapons on one's territory and to modernize them. In this way one displays one's determination to ensure one's defense. If they are launched, then that is the beginning.

Chairman NUNN. Mr. Duffy.

Mr. DUFFY. Yes, Chairman Nunn. However benign some of Mr. Gorbachev's policies may appear, they are squarely rooted in his own conception of long-term solvent interests insofar as the poor may still be able to perceive them, and we understand that. And we have got to ask ourselves which of those interests can be turned to interests of our own.

And I thought you would be interested to know that those of my colleagues who accompanied me to Moscow last July did encounter evidence of a real, well-founded on their part, interest in nuclear forces at minimal levels.

I have in mind in particular the European Institute of the Soviet Academy where work is being done on this notion of minimal levels of nuclear deterrents, and since that visit we have further evidence of interest in it on the part of Mr. Gorbachev and, indeed, of affirmation, and we all know of his longer term policy of nuclear armament down until the end of this decade.

In the light, then, of evidence that we have encountered of the Soviet intent, I would hope that none of us in the Western alliance will be party to any policy of nuclear weaponry that might—that might run counter to what appears now to be a well-founded Soviet policy interest.

Chairman NUNN. Thank you, Mr. Duffy. I just want to bring up two other questions, one directly to our guest parliamentarian M. Boucheron.

As we see these changes, without getting into 1 year, 2 years, CFE or unilateral or whatever, I think it is plain that in the future there are going to be less forces—less U.S. forces—stationed in Central Europe, probably less foreign forces stationed in Central Europe on the Western side.

We all know there is a geographic asymmetry, or fundamental difference between the Soviet forces in the Soviet Union, even if they are not in the western military districts, and U.S. forces that have to come back across an ocean, and that is one of the very difficult questions.

It seems to me that one of the things we will have to keep in mind is the word that one of you mentioned already, and that is reversibility. We have got to be able to make our changes and our build-down in a way that is reversible as quickly as the Soviets possibly could reverse theirs, and we hope they will not.

Which leads me to a fundamental question for our French colleague. We understand the reluctance of the French, in the terms of the military side of the alliance—although I must say that your government in recent years has been, I think, cooperating very well within NATO and has facilitated a number of important overall improvements, but getting U.S. forces back into Europe is going to be a key.

If we had some kind of peacetime agreement and exercise, not just secret agreement or any whispering, but exercise, practice, cooperation of reintroducing U.S. forces and use the French facilities—airfields and ports—to do so, it would make an enormous difference in reversibility and in cost.

So I would hope, without trying to put you on the spot today, although I would welcome any comments, that you would take that message and consider it with your colleagues and your government, because I think it is probably more important now, in the next 5 to 10 years, than ever before, that we have some kind of peacetime arrangement and exercise program that would facilitate the reintroduction of U.S. forces in an emergency situation.

M. BOUCHERON. Mr. Chairman, to a very real question, I shall endeavor to give you a clear answer. The first point I wish to make is that I think that the Soviet Union is in a spiral where they are withdrawing their troops from Eastern Europe and that this process is not controlled, and so what they are trying to do is to negotiate with us something that they already have to do.

Let us wait for the outcome of the free elections in these countries, because I think the first parliamentary debates after these elections will be to say to the Soviets, withdraw your troops, and we as a free alliance should not enter into the spiral.

I would like to repeat this once again: the major danger here is a neutralization of the central region of Europe. Therefore, we must maintain the alliance and the United States must maintain its presence.

Obviously, in wartime the use of French air space and land is not a problem, is not an issue, and you yourself said, Mr. Chairman, that there would be a somewhat lighter presence, or configuration of U.S. forces in Europe.

I would like also to note that NATO has worked very well in its present configuration and at present levels, and I fail to see why, if these levels are brought down, that it would be necessary to increase air space or land available for access. Of course, if the United States were to decide to increase their presence in Europe, this would be an open discussion. [Laughter.]

Chairman **NUNN**. Let me just repeat and sum up, and I will not pursue it further, but it is enormously important that we do things in peacetime that prevent war.

Nothing could be more important, in this whole question of reversibility, in the conventional sense, than an agreement and an open kind of exercise program in peacetime for the United States to be able, not to station forces in France, and I am not talking about that in peacetime, but to be able to have the assurance that we could exercise the ability to get forces back in through the French ports and airfields.

Nothing could enhance deterrence more and help us on this whole question of reversibility, and so I hope that our French colleagues will not foreclose that and I want to make it abundantly clear, I am not talking about the French reversing their overall military position.

I am not talking about U.S. forces being stationed in France, but I am just noting that the French are cooperating much more with the Germans—joint German-French Brigade—and with the British, and we hope that the United States will be in at least third place on that list, because it would be very much in the interest of the alliance as a whole if we worked out a peacetime arrangement, to know what we could do in wartime. I think it would make war much less likely.

One other question I have and then we can keep the dialogue going. I want to shift to our friend, the former Defense Minister from Turkey. What is your opinion as to the effect in your country of the developments in Azerbaijan, and in particular the Soviet deployments in that area and the conflict. I would like to get your view about the effect of that, and how your country views it.

Mr. **YAVUZTURK**. Thank you very much, Senator Nunn. I thought I might not be able to have a chance to talk on this subject. For that, I submitted an official letter, but I am thinking about the subject you mentioned before.

As our friends already mentioned, a different point of view of what is happening in the Soviet Union, I am fully supporting what our friends from France, M. Boucheron, already said, for the changes in the Soviet Union.

In 1985, as we all recall the Gorbachev initiative, starting with glasnost and perestroika, the perestroika I think is targeting and goaling to the European Common Market, to have some access within the EEC, but the glasnost was much more important in the Soviet Union because of the demographic situation.

The ethnic nationalist composition of the Soviet Union is very different, and the alliance in Europe and up to the Ural Mountains, the ethnic mixture is much more than the other side.

From a historical point of view, as we all may recall, during the Ottoman Empire this area around the Black Sea they were mostly under the control of the Ottomans for years, for hundreds of years, so the Azerbaijanis, we do not like to intervene in the internal Russian policies because this is one of the Russian republics.

But the Turkish point of view in the republic, even though there are some religious differences between our people and the Azerbaijanis, basically it is the same origin. They speak our language, they look like us, so we have very positive sympathy for the Azerbaijanian people.

So this, I think, is all over Turkey, so the measures taken by the Soviets to the Azerbaijanis is a very strong one, a very crushing type of measure which might not be welcomed by our people. They would have taken some other measure, as Gorbachev did in the Baltic states, to search for dialogues to cease the tensions in between the two republics at that point, but it did not happen.

They used the military actions, which I think is not approved by our people. I personally do not have any sympathy for these type of measures for the humanitarian reasons. The effect in our republic—because we do have also some Azeris at that part of the country and not the Istan corner.

It is written in the newspaper yesterday that there is some news, some demonstration going on, and I think within the government it might have also some difficult position, because of the subject and because of the origin of the Azeris, and so I think it is a very difficult situation to explain what might happen in the future, but basically it is dangerous and at a boiling point.

Chairman NUNN. Without the use of military force, what can be done to help protect the Armenians, who have been subject to a lot of violence, and to also keep the violence from spreading? What other options are there?

Mr. YAVUZTURK. Once the Eastern bloc countries behind the Iron Curtain, they look like a pressure vessel. When you lift the pressure the vessels explode at several points, and so in the Baltic States and the Eastern European countries and in Romania and all others in Moldavia, Ukraine and also in the Azerbaijans, from the political point of view there is no source to help them, but only to ask the Russians to keep the humanitarian measures only.

What can we do, because it is legally within the republic of the Soviet Union. We might not have any influence, but just humanitarianism. We can ask them, or we can try to find some balance.

But basically the Karabahk situation, which is in Azerbaijan—and the population of the Karabahk is mainly Armenian, and so the Armenian Republic and the Azeris, they have a long time conflict about this Karabahk. The Supreme Soviet has approved that the Karabahk is part of Azerbaijan. It is already approved, the last

Soviet decision, which is not accepted by the Armenian Republic. So far we have to wait what might develop. That is the only thing I can say at this point.

Chairman NUNN. Thank you very much. Let me just close out my questions with getting you to react to this observation:

I would agree with the general thrust we have heard here this morning, that the NATO alliance is a stabilizing influence. It has been the most successful alliance that I know anything about in history and it is going to continue to be important.

I also would agree with the general sentiment that there will be more and more an emphasis on economics and politics, with hopefully less on military, although the military will also continue to play an important role. I have a hard time in my own mind determining how NATO is going to remain relevant as the shift goes more and more toward politics and economics.

We have not discussed the economic side very much this morning, although I think we would all agree that that is the key to many of the events going on over there now. The economic side is going to be handled through the European Community.

My experience tells me that political events and discussions and focus follow the money, and the money is not going to be in NATO for dispensing economic aid, so it is hard for me to see how NATO as an alliance, although I would like for it to happen, is going to play an increasing economic and political role when the money is going to be handled through the European Community and through the United States and Canada, coordinating with that European Community. I would like any observations on that.

Sir JOHNSON SMITH. I agree, Mr. Chairman. I think you have raised a most interesting and valid point. Much as I respect the fact that there is a consensus amongst us for a role, a continuing role during the arms build-up period for NATO, and I well understand the points made by M. Boucheron about the stabilizing effect of NATO quite clearly, as you say, where there is money there is a lot of influence, and much of the creative political work and economic work that has been done in Western Europe which has attracted worldwide attention has been, of course, centered in Brussels.

Now, I speak as a British Conservative, who has strongly, ever since student days, been committed to a more united Europe, and that I believe that the framework of the Treaty of Rome was the best way to pursue that objective as a member of a Western European country.

However, being pragmatic, I do not necessarily accept that the end goal is a federation. I believe there are many practical steps we can take. I also believe it would be extremely foolish to develop European cooperation in a way which could lead to the shutting out of the United States as having any influence on that development.

That is why—I noticed today in The New York Times, my eye caught with some interest a speech made by the British Foreign Secretary, Mr. Douglas Hurd, who arrives in Washington on Sunday, in which he floated the concept of developing a more formalized methodology of discussing economic programs between the European Community as one group, on the one hand, and the

United States on the other, and I believe he thinks that could be divided into two particular parts.

One was a matter of great urgency to develop and coordinate the plans that the European Community has and the plans which we believe the United States has for the development of the economic strength through the introduction of market economy principles into Eastern Europe, and I believe that coordination should take place and I believe the two instruments most favored to be able to achieve that coordination are the European Community and the United States.

However, over and beyond that, there are bound to be increasing—as we move through this period of uncertainty and try to establish a new order, there is bound to be a need for increasing political and economic consultation, not just in relation to Eastern Europe, but to more global issues, and to that extent, therefore, I look to the European Community as providing the framework for that political and economic consultation, and therefore we have got to establish, I think, a better mechanism to achieve that objective.

Mr. PETERSEN. I would like to, if I may, add one sentence.

I do not quite agree with Sir Geoffrey because NATO is in our perception—Stalin was the reason for NATO. Historically that might not be quite true, but as long as Stalin was—Stalin's policies including Gromyko—it was comparatively easy to define the role of NATO coming out of the threat.

And another aspect, of course, is that a sovereign nation will have troops, will have soldiers, not as many as you have nowadays, and we have decided in NATO that we are going to have these troops together as one community of free nations, and that role will increase because we need to coordinate our foreign policy, our security policy.

And, you see, Senator, you can already today see that Europe, for instance, does not exist in the Middle East. The conflicts in the Middle East are negotiated between Moscow and Washington. Even though we are much closer, our voice is not being heard because we have 12 voices, and I believe NATO will remain and can increasingly play the role of a body in which our best minds get together, committed to the basic values which we have defined which have been so attractive that lead to today. We see their victory and we will play a less military role.

The economic and councils—I do not know whether I quite agree with you that the politics follows money or something similar, the way you put it. You know, the Swiss did not start with the cheese union before they had their political unity, which derived not from cheese but from basic values they share between them.

And Patrick raised his hand. We have one more comment.

Mr. DUFFY. Thank you, Mr. Chairman, Chairman Nunn.

The proceedings at our last annual conference in Rome were imbued with the conviction that NATO will be as important in the future as in the past. Indeed, even more important to provide stability in a fast-moving age fraught with uncertainties.

But we are aware, as you remind us, of how urgent it is to strengthen these trends politically and economically. We are in doubt as the intra-parliamentary arm of our Western alliance that we have now entered a political phase. I daresay that we shall see more of each other, Chairman Nunn, because of your known reputation as well as your great responsibility, and we shall want to join you more and more.

We do believe we have a more purposeful role now on the political side of our alliance. I gave you just one illustration in my opening remarks about the interests of Prime Minister Ryskhov in Moscow in joint ventures. He left us in no doubt as to the potential that he sees and where we can all assist there, I hope we will do so, and I have already taken steps in my own way in my own country just as some of my colleagues have already taken steps to strengthen political ties, indeed to enter into a new, quite practical working relationship with Chairman Primakhov and the new Supreme Soviet and their own domestic parliaments back home.

We believe that in these small but indicative ways NATO can help in a way that the European community cannot do so, no matter what greater role it may have in the future. It cannot straddle these responsibilities. Only NATO can provide this kind of forum, for example, and NATO can help, therefore, in a negative way economically by lending more urgency, if possible, to the Vienna talks, not that there is a want of good will on both sides. The difficulties are very real.

May I commend to you the views of the Hungarian ambassador to my colleagues. As recently as last month the CFE talks are not being overtaken by events, even if the military alliances cease to exist.

Countries will still have military capabilities, and the challenge as he saw it to those talks in Vienna is to construct a security system that will survive military alliances.

It is a very interesting view from the other side of our alliance frontier.

If we can get early agreement—and I do not know of anyone who thinks that we will get an agreement before the autumn—and I know of some one or two ambassadors who think that to get that kind of agreement we shall somehow have to get aircraft on one side for a while, but clearly this is one way in which we can get down our defense budget sooner rather than later, and so that is a way in which we can help.

May I ask you, Chairman Nunn, to bear in mind on the other hand, however, the perhaps greater growing threat of regional conflict and the need, therefore, for our alliance to consider out-of-area responsibilities before those responsibilities are thrust on them, perhaps when we are unready.

I do agree with you when you say that our alliance has always been stabilizing force in East-West relations. It has provided Europe with the most rationally conceived and accident-free security system that the world has ever known, and the crucial role of the alliance now, I suggest, is to preserve those conditions of confidence and security in which those economic as well as political developments right across Europe can take place at their own rhythm, a Europe in which the democracies of North America would still play an essential role and to which the Soviet Union would be committed.

And if I can refer once again very briefly to my opening remarks, when I asked you to consider the dilemma of some of us in

1940, after June 1940 the next most desperate moments in my life were in 1948 and 1949 that saw the birth of this alliance, thanks to the vision and the courage of American and, dare I say to my colleagues behind me, British statesmen principally, and that British statesman did not find it easy to carry his party with him because he was a labor statesman, and it was damned difficult even in 1948 or 1949 for him to carry his party then to construct so soon a new security system after the end of yet another war to end all wars.

How well they succeeded we know. And if there is one lesson, therefore, from the past 40 years of that alliance for which they were responsible, it is, Chairman Nunn, that with the same courage and conviction and the same vision well, we can turn perhaps our present thoughts and maybe even dreams into realities.

Chairman NUNN. Thank you very much. I think those words are about as good a closing as we could have, Mr. Petersen, Mr. Voigt, M. Boucheron, and all of our parliamentary guests.

This has been extremely useful from our point of view. Many of our colleagues are out of town today at a caucus, I do not know on the Republican side whether they have a formal caucus, but there is a formal Democratic caucus, and it was scheduled in a way that could not be altered. Otherwise there would have been more people here, but their staffs are here, and they will be reading this record.

This has been a very stimulating and beneficial dialogue from my perspective, and I hope that we can continue it. You have set a precedent in coming here before us in a formal way, and I think that it is a very good precedent because our publics are going to have a better understanding of some of the challenges and some of the perspectives from particularly the European point of view that is so important to the future of NATO and, indeed, to the security of the United States and the Western World.

I thank all of you for being here.

Are there any other comments, Mr. Petersen, from your side?

Mr. PETERSEN. I would like to thank you, Senator, for the real honor which we feel to have appeared here. Of course, we could spend another 3 days, but neither you nor we would have time for that.

I have just one request. Would it be possible that your office send the minutes of this meeting to the General Secretary so that we can have them?

Chairman NUNN. We would be delighted to do that. I do not want to overlook anyone—Mr. deRato, did you have a comment?

Mr. PETERSEN. Mr. deRato is from Spain, and Spain has not been heard from.

Chairman NUNN. Let us give him the final word, then, here today.

Mr. DERATO. Thank you, Mr. Chairman. I asked Mr. Petersen to have the opportunity to respond to your remarks about the role that the Common Market would play in the reconstruction of Eastern Europe, and as far as my knowledge, we will create a new bank that will be monitoring its works with the International Monetary Fund. So, in that respect, there should be collaboration between the United States and North American countries and that European bank.

But, of course, the chance of Eastern Europe to have a better standard of living will not only depend upon the material help that the Common Market can provide, but will probably depend much more on the level of trade that industrialized countries will keep. In that respect, the transatlantic understanding between North America and Europe of keeping an increasing level of free trade and not the existence of practices on both sides of restrictions of trade from the other side will be essential.

If we will see in the future a fortress North America and fortress Europe, the first countries that will probably suffer those consequences will be the eastern countries because there will not be markets to buy their products. There will be no trade to have more money produced to help them reconstruct their economies. And Mr. Voigt just gave an incredible figure about one of those countries; that is, if I am not wrong, the one that is best in relationship to the others, that being East Germany.

And so we are facing an incredible task that can only be accomplished if the level of free trade between the two most or two of the three most important economic blocs or areas that we are facing, North America and Europe, continues. Of course, that is a debate that cannot be solved only in Europe. It should be solved in transatlantic forums, NATO and others.

And as far as the role of NATO in the future, apart from the role that has been described here of keeping our basic strength and nuclear deterrents to give peace in Europe as has been for the last 40 years, I also think that we are facing less of a threat of an attack, but we are certainly facing much more instability in our neighbors in the east and in the south.

Perhaps because I come from a Mediterranean country, I have often brought to my colleagues, and in different forums like this one, the fact that an instability in the Mediterranean can be the source of, and it is certainly for some of the Mediterranean European countries, a source of preoccupation and not so often has been analyzed in a NATO forum.

We are going to face now that same instability for years to come in Eastern Europe and if an institution with the know-how and the experience of handling security matters in global terms and as has been brought also the question of dangers out of area, like NATO, should not diminish but should increase probably in a more political and perhaps in some economic ways, but certainly it will be a necessary tool for Western democracies on both sides of the Atlantic to increase our level of freedom and to give a certain future for the Eastern European countries to acquire our level of prosperity. Thank you.

Chairman NUNN. Thank you very much.

One of the real success stories that we do not emphasize nearly enough is what happened in Spain and Portugal over the last 15 or 20 years. I remember very well sitting around with groups of NATO parliamentarians and other high government officials who were in despair about what might evolve as you moved from an authoritarian-type regime. And we do not say it enough really, but we are very, very proud of what the people of Spain have done in not only your democratic move, but also your economic. Both are remarkable.

And so we are delighted that you are now a part of this alliance that has meant so much for the freedom of the world, and I would say the same thing to our friends from Portugal.

I thank you all for being here, and I hope, Mr. Chairman, that we can do this again.

[Whereupon, at 11:30 a.m., the committee adjourned subject to the call of the Chair.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

TUESDAY, JANUARY 30, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

IMPLICATIONS OF CHANGES IN THE SOVIET UNION AND EASTERN EUROPE FOR WESTERN SECURITY

The committee met, pursuant to notice, at 2:08 p.m., in room SR-222, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Bingaman, Dixon, Glenn, Warner, Thurmond, Cohen, Wilson, McCain, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; and Richard D. DeBobes, counsel.

Professional staff members present: Robert E. Bayer, Robert G. Bell, Richard D. Finn, Jr., John J. Hamre, William E. Hoehn, Jr., David S. Lyles, Michael J. McCord, and William H. Smith.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Brian D. Dailey, Judith A. Freedman, George W. Lauffer, John E. Mansfield, and Durwood W. Ringo, Jr., professional staff members.

Staff assistants present: Mary J. Kampo, Claire M. Kelly, and Debra A. Rice.

Committee members' assistants present: Andy Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, and Milton D. Beach, assistants to Senator Glenn; Jefferson B. Seabright, assistant to Senator Wirth; C. Richard D'Amato, assistant to Senator Byrd; Melvin G. Dubee, assistant to Senator Byrd; James M. Bodner, assistant to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order. The Armed Services Committee meets this afternoon to continue our hearings on the implications of the recent dramatic changes in the Soviet

Union and Eastern Europe for our national security policy, our military strategy, and ultimately our defense budget.

Last week the committee focused on changes in the Soviet threat. We received testimony in public and in closed session from Judge Webster, the Director of the CIA, General Soyster, the Director of the Defense Intelligence Agency, and General O'Lear, Director of Intelligence for the U.S. European Command. We heard from these experts on the changing nature of the Soviet threat, and then we heard from four highly respected European and Japanese experts on allied perceptions of the Soviet threat.

On Friday we had what I thought was a very productive hearing, perhaps better termed a dialogue, with the Subcommittee on Defense Cooperation of the North Atlantic Assembly. I know that all members were not able to be there on Friday. Many of you had previous conflicts out of town, but I would urge you to get your staff to bring you up to date on that dialogue because it was, I thought at least, very interesting in terms of the allied perceptions.

This afternoon we shift gears somewhat to begin thinking about how the United States and our allies should respond to the Soviet threat economically, diplomatically and militarily both in the near term and in the longer term.

Our witness today is well known to the committee. Dr. James Schlesinger has had a distinguished career in public service, including assignments as Secretary of Defense, Secretary of Energy and Director of the CIA.

In recent years he has been a frequent and very valuable contributor to this committee's work on defense reorganization, U.S. military strategy, the INF Treaty, as well as many other subjects.

There is probably no one better qualified than Dr. Schlesinger to address the critical issues before us today. He has been a tireless and effective advocate for a strong NATO alliance for many years. One of his priorities as Secretary of Defense in the mid 1970s was to rebuild our NATO forces after the Vietnam war.

He is one of the Nation's most respected and creative thinkers in the area of national security policy, military strategy, as well as doctrine. I am delighted to have Jim Schlesinger with us today and am delighted to count him as one of my friends and advisers over a long period of time.

In the coming weeks we will hear from two other former Secretaries of Defense, former Secretary Harold Brown and former Secretary Frank Carlucci.

On Friday we will hear from three former Chairmen of the Joint Chiefs, Adm. William Crowe, Gen. David Jones, and Gen. John Vessey. Also, of course, most importantly we will hear from the Secretary of Defense I believe on Thursday morning along with General Powell after the President's State of the Union address.

Senator Warner, any comments you may have.

Senator WARNER. Thank you, Mr. Chairman. I welcome this distinguished individual. I had the privilege of being one of his employees at one time in the capacity of Secretary of the Navy when he was Secretary of Defense. I still bear the lashmarks across my shoulders.

Today I say in a brief opening remark I may have some difference of opinion about his approach if he tracks with the testimony that was sent up thus far. I say that because I still believe there is, in my judgment, a great deal to be gained from the arms control process that is presently under way in Geneva and also in Vienna with the conventional.

If we allow the Congress as a result of the public expectations for peace dividend to get out in front and bring the Congress along to require our President to make unilateral cuts, to get out ahead of the ability of the negotiators to achieve their initial goals and then follow-on goals, we may lose the opportunity for these historic agreements.

The agreements not only would provide for the bringing down of the levels of intercontinental ballistic missiles as well as the conventional armaments, the goal that we have sought for two decades, but it would provide a framework of verification unlike any framework that we have had in any prior arms control agreement.

If that is lost, particularly some of the intrusive features whereby we actually go behind the Iron Curtain that is still there or, more importantly, within the Soviet borders to make certain assessments about compliance, then we have lost a golden opportunity because the Soviet Union would have a distinct advantage should a successor President, General Secretary, whatever may come along, and desire to reverse unilateral cuts. They can do it more quickly, less expensively and put their troops in place far more readily than the United States, which has to literally cross an ocean with its men and logistical support.

Mr. Secretary, I look forward to your comments and perhaps a healthy and friendly debate.

Chairman Nunn. Jim, we are delighted to have you.

Senator Thurmond. Mr. Chairman, I ask unanimous consent to have my statement put in the record following Senator Warner.

Chairman Nunn. Without objection, it will be.

[The prepared statement of Senator Thurmond follows:]

PREPARED STATEMENT BY SENATOR STROM THURMOND

Thank you Mr. Chairman:

I join you in extending a warm welcome to Dr. Schlesinger. He brings to this hearing a unique perspective of the Soviet threat. His service as Secretary of Defense, Secretary of Energy, and Director of the Central Intelligence Agency give him an insight into the past year that is matched by few in government or the private sector.

Mr. Chairman, I want to congratulate you and Senator Warner, for the exceptional witnesses you have selected to appear before this committee. Those who have testified so far have provided the committee a comprehensive review of what is happening in Eastern Europe and the Soviet Union, I expect that those who will appear over the next several days will do likewise.

Mr. Chairman, last week we heard from almost every witness that the Soviet conventional threat has diminished in Europe. However, we were also told that there is no decrease in the Soviet strategic capability and that the changes in both the Soviet Union and Eastern Europe are not locked in concrete. Our witnesses have also cautioned that the United States must not make the unilateral decision to reduce its military forces nor reduce its commitments to NATO.

I expect that this committee will be under considerable pressure to make substantive reductions to the President's defense budget. I hope that the committee members will carefully evaluate the budget based on what has been and will be presented to us in these hearings. In this century, our Nation has twice decimated its Armed Forces on the premise that we no longer faced a threat. In both cases, we regretted the action.

Dr. Schlesinger, I appreciate you taking the time to come before this committee and look forward to your testimony.

Thank you, Mr. Chairman.

Chairman NUNN. Senator Cohen.

Senator COHEN. I have just a question and then maybe an observation.

Mr. Chairman, was there any correlation between the productivity of Friday's session and the fact that only you and Senator Warner were here?

Chairman NUNN. I was not going to say that, but if you have drawn that conclusion I will not take exception to it.

Senator COHEN. Second, I would like to follow up with what my colleague from Virginia has just mentioned about the issue of whether we are going to negotiate reductions or they are going to be done through congressional mandate.

Let me suggest that I think that the negotiations currently under way are going to have to be revised substantially in terms of their targets for manpower levels in order to allow the negotiations to dictate the outcome. Let me put it this way. The wider the gap between our negotiating position and the reasonable expectations of the people, then the more likely there will be unilateral actions taken on both the European side and the U.S. side.

So I think that what we may have to have is some substantial reductions in the target levels in order to make the negotiations possible and feasible rather than having them outrun by either side in the short term.

Chairman NUNN. I would agree with you, Senator Cohen, on that.

Any other comments?

If not, Jim, we are glad to have you. I see your better half here today, Rachel. We are delighted to have you, too, and any other members of your family. Thank you for coming. Jim.

STATEMENT OF DR. JAMES R. SCHLESINGER, FORMER SECRETARY OF DEFENSE, FORMER SECRETARY OF ENERGY, AND FORMER DIRECTOR OF CENTRAL INTELLIGENCE

Dr. SCHLESINGER. Thank you, Mr. Chairman. I want to allay any fears that Senator Warner may have that he will be forced to disagree with me. In the first place, I am a strong supporter of the strategic arms control negotiations for the reasons that he has mentioned.

With regard to the issue of public opinion getting out ahead of the Congress, I am going to leave it to my betters, those who run for public office, to control public opinion, and I shall not get into that.

Mr. Chairman, members of the committee, I want to thank you for your invitation to appear today before the committee to assess the dramatic changes in Eastern Europe and the Soviet Union and their impact on national security policy.

As members of the committee may recall, the issues of European security, of the balance between conventional and nuclear capabilities and their role in the deterrence of possible Soviet attack have been close to my heart for many years. Consequently, the events that have been unfolding in this past year have had a special poignancy for me.

Since the late 1940s and the collapse of the wartime partnership with the Soviet Union, the preservation of a free Western Europe has been the centerpiece of American foreign policy. Now that policy has been crowned with success, and in that we are entitled to take some satisfaction.

Mr. Chairman, let me start with two essential points. First, international politics has already passed through an historical watershed. Change continues. Indeed, it may well become more dramatic in the period ahead. By the changes he has initiated, Mikhail Gorbachev, for it is primarily he, has altered the world order as we have known it since 1945. He has unleashed forces that he cannot control and did not anticipate.

From the standpoint of the Soviet Union, he has opened up a Pandora's box, and the elements released cannot again be contained. The lines of force that have governed international relations in the post-war period have now been permanently altered. To proceed as if transformation had not occurred would ultimately be self-defeating.

Second, let us be clear about what we in this Nation have accomplished. America has fulfilled its historic responsibility. We have been steadfast. We have helped preserve the democracies of Western Europe during difficult times and have helped create the new flourishing Western Europe of today.

For 40 years we have stood the watch. We have won. I say this not in the spirit of gloating but as an historic fact. Indeed, one cannot fail to respect the Soviet Union which, from a far weaker economic and political base, was prepared in the name of its own ideology to sustain this challenge to the United States and much of the Free world for so long a time.

Yet, while we should be magnanimous in victory, we should not fail to celebrate this American accomplishment. Were Winston Churchill alive today, I believe that he would refer to the steadfast American role of these past 40-odd years as our finest hour.

However, Mr. Chairman, as a country we must move on. We must recognize that the international environment has now been transformed. We must not go on doing what we have done in the past on the premise of, "Why change a successful strategy?" Were we to do so, it would prove to be self-defeating. We would damage our international standing and lose the respect of our rivals, the support of our allies and the confidence of the American public.

Thus, quite properly, the rationale for our European deployments is up for review and debate.

The military balance has been radically altered. How long the Warsaw Pact may survive as a political association is an open question, but its role as a military alliance and a military threat has been largely broken.

The modest reduction in Soviet military deployments has been dwarfed by the essential departure of her Warsaw Pact partners as military allies. Under the circumstances, one cannot conceive of a Warsaw Pact offensive, save as an act of supreme folly.

American deployments in Europe over the years have been justified as a symbol of the American commitment, and since the 1970s as a part of a stalwart conventional capability intended to help deter Soviet or Warsaw Pact attack.

Mr. Chairman, that role for the American forces has now been largely superseded. The new and substantially reduced role for those forces is to provide negotiating leverage to help assure the substantial drawdown of Soviet forces in Eastern Europe.

In the present context, however, such arms control negotiations raise as many questions as they answer. Events have now begun to outrun the relatively slow pace of negotiations. In some circumstances, that can be helpful, and in other circumstances harmful. In the present circumstances, I believe it requires careful judgment rather than an automatic response.

I pointed out earlier that Mr. Gorbachev has unleashed forces that can no longer be controlled and which portend further dramatic changes. Among those forces are the changes in government and the process of democratization in Eastern Europe.

Already, both Hungary and Czechoslovakia have requested the Soviet Union to remove its troops from their territories. In East Germany, just in these last few days, popular ferment has forced what is now an interim government to move the prospective date for elections forward from May to March. Once a democratically-elected government is in place, a request to the Soviets to reduce and ultimately withdraw Soviet forces is more or less foreordained.

In brief, the process of political change has already imposed severe pressures on the Soviet Union to reduce and perhaps ultimately eliminate her forces in Eastern Europe. Given its altered international stance and its domestic goals, the Soviets will find these pressures hard to resist.

Indeed, Soviet leaders have themselves spoken of withdrawing all of their forces from Eastern Europe by the year 2000. Thus, a process is already underway, more or less spontaneously, massively to reduce Soviet forces.

It would be ironical, and perhaps detrimental, if that process were to be slowed by lengthy negotiations. It would be worse than ironical if the CFE negotiations were to result in legitimatizing of the long-time Soviet presence of Soviet forces in Eastern Europe that might otherwise be withdrawn.

In the absence of such negotiations and such legitimatizing, it would be far worse if the nations of Eastern Europe were to hold the United States or NATO responsible for the continued presence in their countries of Soviet forces.

In brief, standing firm while negotiations continue may bring a less than optimal outcome. I am a long-time Atlanticist, as Senator Warner will recall. You will also recall, Mr. Chairman, that during my tenure as Secretary of Defense my principal concern was the rebuilding of our NATO forces, the development of a more persuasive deterrent posture, the creation of a stalwart conventional capability, and the resistance to pressures such as the Mansfield amendment for the reduction of the American presence and commitment.

Over the years, former colleagues have called for a down-sizing of U.S. forces. Rightly or wrongly, I have always resisted. Given this background, Mr. Chairman, I believe a certain weight can be attached to the following recommendation. We should plan, now, radically to scale back our forces in Europe. The time for that planning is now. Implementation may extend over months or years as circumstances warrant, but the reduction should not be precluded by the on-going negotiations in Vienna.

Mr. Chairman, over the years this committee has heard much about burdensharing. As long as the Warsaw Pact threat remained substantial, I thought much of that comment overblown. Now, however, Belgium has announced the withdrawal of its forces from Germany, although under pressure, I am informed, Mr. Chairman, that it has had second thoughts.

The Germans themselves have indicated an intended reduction of the Bundeswehr by roughly 20 percent. Other European countries are preparing to reduce both forces and spending. Mr. Chairman, as long as a sizable Warsaw Pact threat existed, a major American deployment was vital to European security.

But as that threat is reduced, the United States should not be in the position of increasing its share in European security. The time has come, more or less, for Europe to move toward the condition stated by former Chancellor Helmut Schmidt: Europe should be defended primarily by French and German forces.

We must also look ahead. As we move toward German reunification, as almost inevitably we must, as the Soviet forces in Eastern Europe are drawn down and the threat to Western Europe continues to recede, we shall find that the eagerness and the welcome for American forces in Europe dwindles.

The stationing of so large a set of foreign forces on German soil has become a growing irritant to the German public, as the members of this committee will know from the classified record. We have been obliged to curtail low-level flying, night training, and so on. Imagine what will occur when the perception of the Soviet threat, already much reduced, particularly in Germany, recedes further. Whatever its present inclinations, a German government will be obliged to pay heed to public opinion. We should begin to prepare now for that development, already foreseeable.

We should begin now to discuss the character of a residual force that is desired by our European partners. That force can be a symbol of the abiding American commitment, insurance against the international environment, despite all present prospects, turning darker again, and a logistical base for the return of U.S. forces if that should prove necessary. Such a residual force, after the scaling down of the Soviet presence, would be but a fraction of our present deployment.

At the 40th anniversary summit of NATO in June, President Bush put forth a proposal for the reduction of conventional forces then specifying a 10 percent U.S. manpower reduction. It was a prudent and productive proposal, but in my judgment time has now overtaken it.

Since June, a lot of water has flowed over the dam. Changes in Eastern Europe have made untenable the continued stationing of Soviet forces at anything like the present level. In formulating policy now, we need to take these recent changes into account.

We have, as this committee knows, other uses for our defense dollar. Given the budgetary pressures that we all understand, it would be unwise to short-change other, longer-term requirements for defense spending just to preserve for somewhat longer a NATO force the role of which has both been sharply altered and diminished, and the size of which is now transitory.

In 1815, after the defeat of Napoleon, in 1848, after the revolutionary changes in Europe, Imperial Russia advanced its forces far to the west, just as did the Soviet Union in the wake of the defeat of Nazi Germany. But Imperial Russia ultimately withdrew her forces, and now, some 45 years after World War II, the somewhat similar advance of the Soviet Union into the heart of Europe is coming to a close.

Events are now forcing the pace of change in Eastern Europe. The Soviet Empire, and the Soviet threat, are receding.

Some of our defense people like to speak of the uncertainties. To be sure, there are uncertainties, but the outcome of those uncertainties will not lead to the reimposition of Soviet domination in Eastern Europe, nor the restoration of the classic threat that has concerned us since the Berlin blockade. All the king's horses, and all the king's men, cannot put that particular Humpty Dumpty together again.

Unless we in the defense community acknowledge that fundamental and irreversible changes have taken place, we will come to seem irrelevant. Our role in Europe, and to some extent in the world generally, has been altered. Therefore, our forces should now be pointed toward their future role. We will, I feel sure, feel obliged—I hope we feel obliged—to remain a global superpower, but we should cling neither to past glories nor to past problems.

The great American mission in Europe is now drawing to a close. It has been, in my judgment, America's finest hour. For 40 years we have provided a shield protecting the new and reborn democracies of Western Europe, but now we must move on to the new tasks, among them, helping to develop the new architecture of European security.

Mr. Chairman, I thank you for your attention and I shall be pleased to answer any questions.

Chairman NUNN. Thank you, Dr. Schlesinger. You've given us a lot to think about, and I must say I agree with a great deal of what you've said here today.

The question of when we make these changes is an important one, but it seems to me that you make a case of great persuasion that the planning for these changes needs to start now and that if we do not start the planning now, if we don't start thinking through with our allies what kind of residual force we need and what kind of residual force they want in Europe 3 or 4 years from now, then we are not going to make rational decisions today on today's budget with no plans for the future.

I have already told Secretary Cheney and talked to him several times and told him that one of the areas I am going to be most interested in when it comes before the committee on Thursday is what is his vision down the road 4 or 5 years? Where is this budget leading us?

I hope that we are not simply going to have a fiscal approach here to what has got to be a reassessment of the threat and a reassessment of the American response to it in the heart of Europe which has been, of course, a great portion of our Defense budget.

Let me ask the clerk to keep time starting with when I started talking. We will ask each Senator to stay within 6 minutes.

You mentioned radical restructuring, and the need for a vision down the road, a plan down the road. You mentioned the irony of an arms control process that unless it is made relevant will end up impeding reductions rather than facilitating reductions.

How would you go about changing this arms control proposal to make it more relevant or would you indeed counsel that we simply declare conventional arms control irrelevant?

Dr. SCHLESINGER. I would not do the latter, and I want to stress that it is not arms control in general.

Chairman NUNN. The conventional side.

Dr. SCHLESINGER. It is conventional under the circumstances which have emerged since June when the President made his initial proposal. No one could foresee what has happened in Eastern Europe. Nobody could foresee that there would be demands that the Soviets would find hard to resist by their former partners in the Warsaw Pact to get their forces out, take them out, and that the Soviets would feel obliged, at least under the present leadership, to respond to that.

I think that in the first place what is going on in the CFE negotiations far transcends what you see on the surface or what has been released. I certainly hope that is the case and that we are talking about far deeper cuts than had previously been envisioned by the U.S. Government.

However, I have this concern. Suppose we were to reach an agreement with the Soviet Union that both sides could retain a residual force of 140,000 or 150,000, you name the number, in Eastern Europe. Where would the Soviets station those forces? Would the United States, when the Soviet Union is on the verge of withdrawing, be in a position of legitimizing Soviet stationing of forces in Hungary or Czechoslovakia? We would put ourselves in a very difficult position.

I do not know the precise pace of the negotiations, but I would be very cautious before I would commit the United States to that outcome until I had seen the response of the Soviet Union to these pressures from Hungary, from Czechoslovakia, prospectively from East Germany.

A substantial drawdown of Soviet forces is in the offing, under the best of circumstances; even if we do nothing therefore, the relevancy of these negotiations has been reduced. I think that all of that has to be taken into account by the negotiators, by the President, but I do not think that we should terminate the negotiations. We should see what they produce.

We must recognize, however, that in those negotiations the bargaining position of the West has been astonishingly improved by these developments in Eastern Europe.

Chairman NUNN. I take it from that that you would not leave the level at 275,000?

Dr. SCHLESINGER. I think that we ought not to contemplate a residual force of that level. I do not think that the President or the Secretary of Defense or the Department contemplates that. That was an initial position by the President and by the United States to pull Soviet forces down from the present level of roughly twice the

American level to a level equal to it and that the proposal that the President put forward then in June accomplished that. But I do not think he intended it to be a final position and certainly if the Warsaw Pact threat collapses that the burden of responsibility for the defense of Europe increasingly shifts to the United States.

The Germans are going to cut their forces by 20 percent. Should we cut ours only by 10 percent? No.

Chairman **Nunn**. We got out in front of that last year. There is a provision that is now a law that says if the allies reduce their forces—it came through this committee—then we are going to reduce proportionately. Of course that is on the books now, so there is not going to be an allied reduction that is not also met by the United States if the law is complied with. We have already done that. It was done before a lot of these events changed, but it was already apparent that there was going to be a real move on the part of the Germans to reduce their forces.

I guess the big argument is going to be and probably already is within the administration; do we go for 275,000 now as an interim step, not as a final residual force, but an interim step and wait for CFE II conventional force talks II, or do we go ahead and make changes now to make the process more relevant for CFE I.

I favor making the process more relevant for CFE I because I know how long these negotiations take. CFE II is at least 3 years away, and the implementation of it, I would think, is probably longer than that away. So the question I have is do you think we ought to adjust our CFE number one position now or do you think we ought to try to get this agreement as quickly as possible and go on to another negotiation?

Dr. **Schlesinger**. I suspect that indeed we are making that adjustment, as we should, and that we are collapsing CFE I and CFE II together.

It would be distressing if the process of the negotiations led to the East Europeans concluding that the Russians had been given a pretext to retain their forces in Eastern Europe by the United States or by the process of negotiations.

Chairman **Nunn**. So, you would counsel changing CFE I and making it relevant as we go along rather than waiting on CFE II?

Dr. **Schlesinger**. Yes, sir, and I would think that the Soviets, given the pressures upon them, would be happy to move in that direction at this time.

Chairman **Nunn**. There seems to be a rush for an arms control agreement at the expense of substance. I hope we do not get in such a rush to get an agreement not relevant to the facts. I am afraid that is the debating point within the administration now; going for the quick agreement now, and getting it done by June in time for the summit, rather than making the first agreement a sound one that can stand the test of relevancy.

My time has expired. Senator Warner.

Senator **Warner**. Thank you. Dr. Schlesinger, I wish to acknowledge appreciation for your remarks concerning the contribution that this country has given for 40-plus years in the form of our young men and women going to serve in the NATO forces and the people of the United States footing a very heavy bill, and indeed it did bring about many of the changes that we have seen in the last 6 months.

Doctor, coming right to the point, your vision here is pretty clear as to the future, but I ask you, my good friend, 6 months ago you said you could not predict the events that we see unfolding today and in the past 120 days, is that not correct?

Dr. SCHLESINGER. That is correct.

Senator WARNER. Then why can you be so positive today as to how you can project another 6 months to a year ahead?

Dr. SCHLESINGER. I cannot. I cannot predict 6 months or a year ahead. I do not have the gift of second sight. I wish I did.

Senator WARNER. You have set forth here a very drastic and revised blueprint predicated on what you think will occur in 6 months to a year.

Dr. SCHLESINGER. Oh, the first point to be made is that the prediction, while I cannot predict what the world will be like, I know what it will not be like, and that the Soviet Union, given the events of the last year, cannot restore the Soviet imperium in Eastern Europe to recreate the Warsaw Pact. The threat as we regarded it, let us say 15 months ago, would require the Soviet Union becoming engaged with the armed forces of Hungary, Czechoslovakia, ultimately East Germany, and perhaps Poland.

The Soviets would, in effect, have to reconquer Eastern Europe as they did in the 1946-1948 period, and that I think is excluded. I do not know however that you might not get a leader of the Soviet Union succeeding Mr. Gorbachev who would decide by God, it was ours, and we are going to reassert control. That I believe to be, Senator Warner, the point of your question.

But, in order to reassert control you would have to walk over the countries of Eastern Europe. After that is through, the Warsaw Pact threat, as we have known it in the past, would not be restored. That is the point. We know what we will not have in the future which is the classic threat of the Warsaw Pact.

Senator WARNER. Your last page, "For 40 years we have provided a shield protecting the new and reborn democracies of Western Europe. We agree, but now we must move on to new tasks, among them helping to develop a new architecture for European security."

My question, instability, we both recognize a high degree of instability in the wake of these dramatic changes and the raw courage of these people pursuing non-violent means in bringing about democracy. They have caught the imagination and indeed the admiration of the world but at the same time they totter trying to put the democracy into action in their country.

There is no better example than what has transpired in East Germany here in the last few weeks. If they fall upon one another, just the East European countries, the border disputes that have long existed between Hungary and Rumania, the ethnic tensions, and other tensions that are prevalent in those nations have been suppressed for many decades; if they break out, who is to be the policeman to allow them to resolve these disputes, hopefully with a minimal loss of life?

Dr. SCHLESINGER. I do not believe that the United States should establish itself as the policeman of Eastern Europe in these events. I think that your premise, Senator, is absolutely correct.

What we have had for these past 40 years of the confrontation of the cold war is a great deal of stability in the eastern half, forced stability. But as we see democracy coming to Eastern Europe, one of the characteristics of glasnost in those countries is that various ethnic groups express the hatred for other ethnic groups that have long been suppressed, but it is not the function of the United States, I think——

Senator **Warner**. I did not suggest that. I just asked who is going to be the policeman. Are we just going to let them fight it out or is it an invitation to the Soviet Union to walk into that breach and somewhat reestablish itself?

Dr. **Schlesinger**. Well, I would be very hesitant to provide such an invitation to the Soviet Union.

I was somewhat concerned when Secretary Baker suggested that if the Soviets moved into Rumania of late that we would have no objection. I think that we want to be very careful about that. But for the United States to establish itself as policeman, I am not suggesting, Senator–

Senator **Warner**. But it is a question someone will have to answer.

Dr. **Schlesinger**. We are going to have to deal with the situation in Eastern Europe, in the world generally that is transformed. We see these instabilities that you are talking about, and we just prepare ourselves militarily as well as politically to deal with an entirely transformed situation.

Senator **Warner**. Let me move to page 8, top of the page. "That force can be assembled." You are speaking of the U.S. force, of the abiding American commitment and insurance against international environment. You talk about a symbolic presence militarily left for the United States in NATO.

Dr. **Schlesinger**. It would be a substantial symbol.

Senator **Warner**. It is contradictory. Symbolic and substantial, what is it?

Dr. **Schlesinger**. It is both a symbol and a substantial presence, Senator. It is insurance against the international environment changing on a logistical base for the return of U.S. forces. That would be a very substantial deployment.

Senator **Warner**. In the minute I have left, let us drop down to the bottom of the page. "Given the budgetary pressures that we all understand, it would be unwise to shortchange other longer term requirements for defense spending just to preserve for somewhat longer a NATO force."

What does that sentence mean? What is left of NATO under your proposals?

Dr. **Schlesinger**. What is left of NATO? Well, I do not know. Once again, I do not have the gift of second sight.

Senator **Warner**. This sentence implies——

Dr. **Schlesinger**. What is left of NATO depends in part on the reactions of our European allies. What has held NATO together for these 40 years is the fear by the Europeans that they might be overrun and the fidelity of the United States to the alliance as the Soviet threat is reduced. That cohesive force within the alliance is reduced, as you know well, from the classified traffic from Europe in the course of the past years.

Senator **Warner**. I am not disputing that. I just asked a simple question. What do you think NATO's role will be?

Dr. **Schlesinger**. I would hope that NATO continues as a military capability to balance whatever forces are left in the Eastern bloc and for the possibility that the Soviet Union might decide to move forces back from within the Soviet Union into Eastern Europe.

What has been the military purpose over the years? It has been to provide a military deterrent. That role will continue. I would hope that NATO continues to be a political association, but as that threat is reduced the United States role should also shrink because the Europeans can handle a larger part of their own defenses.

Now what does the rest of the sentence mean? That there are other important elements on which we should spend the defense money.

Now I did not think, Senator Warner, that I would have to remind a former Secretary of the Navy of his views in past years, but I have had strong representations from you and from your successors with regard to the need for the United States as we move into these global responsibilities to retain the strength of the U.S. Navy. That is a primary and a longer range consideration, one that we are going to be looking at in the year 2000.

We do not necessarily need this NATO force in the year, let us say, 1991. We do not know yet. I have said that the pace of the withdrawal should depend upon circumstances, and you are suggesting that I have concluded that the force should be withdrawn. I am merely pointing out that the priority is now secondary to the longer run military requirements of the United States, including the worldwide communications capability, airlift and sealift forces, and the U.S. Navy.

We all know that the defense budget is under pressure. I, myself, as an old Atlanticist, would prefer to lean on the side of conservatism. That sentence says that if you find you are under that kind of pressure, do not give away those expenditures and capabilities that bear on our longer term requirements in order to satisfy what is an eroding and shorter term responsibility for the United States and Europe against a reduced Warsaw Pact threat.

Senator **Warner**. Mr. Chairman, we agree on the interpretation he has just given to that sentence.

My time is up.

Chairman **Nunn**. Thank you, Senator Warner. Senator Glenn.

Senator **Glenn**. Thank you, Mr. Chairman. I do not think when we had testimony a few days ago from Richard Perle that he thought we ought to do away with the rail MX and the Midgetman, and Jim Schlesinger says we ought to pull down in Europe. There is no doubt we are at a sea change here. This is a monumental, very historic time period.

You put two criteria, as I understood it, on a drawdown in Europe of our strength over there. You want to make sure that we do not legitimize the Soviet's reasons for staying in there by our presence there. The other remark you made was that it should be a force desired by our European partners.

I happen to chair the Manpower Subcommittee here on armed services. To what do you think we should pull down our level of troops to by number?

Dr. SCHLESINGER. I cannot say. I think that it is roughly in the 75,000 to 100,000 range.

Senator GLENN. Of reduction, or is that the force that should be remaining?

Dr. SCHLESINGER. No, that would be the residual force.

Senator GLENN. So you would then advocate cutting by some 200,000 what we have over there now at least?

Dr. SCHLESINGER. Something in that range; once again, depending upon the circumstances.

Senator GLENN. Over what time period? Would you do that this year?

Dr. SCHLESINGER. I keep stressing that it depends upon the circumstances, so I am not going to say that it should be done this year. It should be done certainly over a period of 3 to 4 years rather than 1 year.

Senator GLENN. A cut of some 200,000 from what we have now? Would you leave our equipment there? Would you leave a residual force, sort of a super POMCUS?

Dr. SCHLESINGER. I think I would leave some prepositioned equipment. I would certainly leave some air bases, once again working this out with the Europeans.

We must recognize that, just as Senator Warner observed earlier, there are strains in Eastern Europe. There are also emerging strains in Western Europe.

We have been given some advice, some of it under the table, sotto voce, that we should really stay in Europe in order to keep an eye on a reunified Germany. That advice is quite strong from some of Germany's neighbors. But we must recognize that our forces are stationed in Germany. I do not see the powerful incentive for the Germans to provide us the real estate for that purpose.

If you look at the restraints on U.S. forces at the present time, we have gradually curtailed low level flights. We are giving up night training. We are giving up firing cannon. All of this has an impact on the readiness of our forces, and that is going to increase rather than decrease.

So in response, we are going to have to work out a package that the Europeans want over the longer haul, not one that we ourselves want.

Senator GLENN. I view any potential military threat as having two elements to it. One, of course, is having the military hardware. The other is having the political will or the political ability to use that hardware.

Now there is no doubt at all that the political will is in an absolute shambles for the Soviet Union. That has disintegrated, and a lot of their ability to use hardware has gone along with the defection of the Warsaw Pact countries.

One thing on which I have not agreed with the administration is this idea of just unilaterally saying we will reduce by this amount, that amount, so many divisions, this amount of equipment, pull them all down. That is what Jim Woolsey should be negotiating in

Vienna and getting something for it, the quid pro quo, and what Richard Burt should be doing in Geneva in the nuclear area.

I do not understand for the life of me why, when we have this absolute optimum time period for us to negotiate, we just unilaterally whack back without defining what the future threats may be.

I do not know what level we should cut to, but I am beginning to be a little bit concerned that as we get into this period that people are so hot to get on to the peace dividend that we just rush pell mell without a thought of what our future forces should be, what balance they should have.

I feel two things that we should absolutely have for the future is mobility—when we bring forces down, we have to be careful we do not cut our mobility—and I think we have to keep our research up so that if we ever have to rearm, we do it from a good base. Yet, we see no definition of what that future force should be in response to whatever we see future threats to be.

I know you are concerned about the Persian Gulf. I am also. Forty percent of the Free world's oil comes out of there. Anybody that could hold the Persian Gulf for 100 days has the rest of the Free world locked in, a very bad situation.

So we have to think about what our future threats may be before we rush pell mell to pull down our forces. Do you have any comments on that?

Comment on arms control. Why are we not negotiating these things instead of just whacking away at them?

Dr. **Schlesinger**. Senator Warner referred in his introductory remarks to the need for verification and providing a framework for verification with regard to strategic forces, with which I wholly concur.

The requirements for verification in the case of conventional forces is much less than in the case of strategic forces. Why? If the Soviets are to continue to operate in Eastern Europe which gives them their springboard for an attack against Western Europe, we will have very good intelligence irrespective of national means of verification that are mechanical. We will have excellent intelligence.

So in dealing with the conventional force reductions, we can spend less time on what is a very time consuming and appropriately time consuming process in the strategic negotiations.

Senator **Glenn**. Would you go ahead and cut back in advance of the arms control agreements?

Dr. **Schlesinger**. I do not want to give the Soviet Union an excuse for staying in Eastern Europe when they are under severe pressure to get out.

Now the Soviets will have to reduce their total forces to give us total ease, because even without their Warsaw Pact partners the Soviet Union is capable of a major offensive; not at the moment, but 3 years from now it will be capable of that. We will need to monitor that very carefully. Part of the American commitment will be to respond. We will have reserve forces, lift capability and so on that will help to deter any such ambitions on the part of the Soviet Union.

You are quite right. The total package has got to be negotiated with care as the United States and the Soviet Union come down, but I do not want the Americans to provide a justification for the Soviets to stay any longer in Eastern Europe. As they get out of Eastern Europe, the threat against NATO, already substantially reduced, is further reduced.

Senator **Warner**. You ought to touch on the Quadripartite Agreement as you give those answers, because I think it is important to bring that in.

Senator **Glenn**. My time is up.

Chairman **Nunn**. Thank you, Senator Glenn. I believe Senator Gorton is next.

Senator **Gorton**. Well, Senator Warner and Senator Glenn anticipated the questions I had of you, but I might persue them in a little different fashion.

You stated in your written statement: "We should begin now to discuss the character of a residual force that is desired by our European partners." And when you answered Senator Glenn's question to the effect that you felt that 5 years from now that residual force would be roughly 75,000 to 100,000 uniforms I assumed that implied that you think that is roughly what our European allies will desire of us at that point.

Dr. **Schlesinger**. Our European allies may desire more, but there is another pressure to bear in mind that weighs more heavily on you, I believe, who face the electorate. And that is whether or not the American people will stand for the present level of burden-sharing when the critical mission that the United States has performed in NATO over the past years has been reduced.

Senator **Gorton**. And then, as you said to Senator Warner, since we will have other priorities as well, those priorities may rank more highly than that desired level of contribution on the part of the Europeans?

Dr. **Schlesinger**. Yes, sir.

Senator **Gorton**. My second question really goes——

Dr. **Schlesinger**. Could I add one word, Senator Gorton? On the general proposition that the Americans should stay, we find unity in Europe. When it is discussed what the Americans will do and where they will be stationed, you will find great disunity.

Charles DeGaulle threw the United States out of France in 1967. I have heard no invitations as yet for the Americans tc come back into France. I think that there is wide enthusiasm among the French for the United States to remain in Germany. I am not sure what the motivation is precisely, but I do not think that there will be total unanimity within Europe as a whole on what the United States does and where we will be stationed.

Senator **Gorton**. Let me follow up on the second subject Senator Glenn raised. Essentially why do this unilaterally rather than through CFE Talks? This hearing is a public hearing. The kind of debate in which we will be engaged during the course of this year is public and available for anyone.

I guess I have the opposite side of the question from Senator Glenn, and my question would be of what particular use are those talks in any event, since it will seem inevitable to anyone who is observing it on our side that in fact this commitment is going to go down.

You know, the chairman's own amendment is going to require us to do so as the Europeans reduce their effort as well. And, by the same token, is it not correct that what is happening in the Soviet Union and in Eastern Europe is happening totally independently of any CFE talks? It is happening because of internal problems within the Soviet Union.

So my question is the exact opposite of Senator Glenn's. At this point, since both sides, for their own internal and domestic reasons, are engaged in a dramatic restructuring, when, if ever, are the CFE talks going to catch up and what relevance do they have to this process?

Dr. **Schlesinger**. The value of the CFE talks has been dramatically reduced by the developments in Eastern Europe. At the point that they started, both sides were looking—both superpowers, which were still superpowers—to reduce the burdens on themselves of the forces in Europe. But now the Soviet Union really wants out, and even if it does not want out it is going to be pushed out.

Senator Gorton, you used the word "unilateral". I would not have a U.S. unilateral withdrawal. I would, however, be watching what occurs in Eastern Europe, and when the Soviets are prepared or pressed to get their 65,000 troops out of Hungary, where they have been since 1956, I would be prepared to reduce in response to that Soviet reduction of force.

We do not want to provide a justification for 3 months or 6 months longer in Hungary of forces that we did not want to see come in in 1956 at the time of the Soviet invasion. So it is not unilateral. It is watching and responding to that. But I think that the emphasis on formal negotiations should be reduced and the total value of these negotiations is much less than they were.

Senator **Gorton**. One further question. Maybe it was a throwaway line in responding to Senator Glenn with respect to Soviet capabilities themselves. We now recognize that these Eastern European armies, Central European armies, are no part of the threat. Now, as we read about the reaction in the Soviet Union, even to Azerbaijan, see constant critiques of the quality of the Soviet armed services themselves, your throwaway line, if I can characterize that, is that they are no threat now, but they might be in 3 years.

What analysis do you have both of the present and future threat of Soviet conventional forces, leaving aside nuclear forces at this point?

Dr. **Schlesinger**. As Senator Glenn mentioned, I have been concerned for many years about the possibilities of a Soviet move into the oil-producing regions of the Persian Gulf. It is an ambition that traces back over centuries, well before the Soviet Union was in place.

My greatest concern, Senator Gorton, my greatest concern has been that the process of budgetary pressures and public opinion, which the Senator mentioned, will force us to draw down our forces more rapidly than we should, and that as the United States falls in parallel to the Soviet Union those Soviet forces will be closer at hand to the Persian Gulf, and that a small improvement of their logistical capabilities will improve the Soviet position vis-a-vis the Persian Gulf relative to that of the United States.

As we become more and more dependent upon the Persian Gulf, that is something that we should plan ahead to avoid.

With regard to the general fear that we have had over the years that a massive Soviet conventional invasion would sweep away the West, I think that that obviously is a much reduced threat, partly because of the desertion by the Warsaw Pact partners, partly because of the weaker fiber of the Soviet forces that you have pointed to.

It is almost unthinkable now that the Soviet Union would move against Western Europe. However, it is possible, and we ought to retain a capability of continuing to deter even that low-level threat. The United States has a role in that capability because only the United States can neutralize, in image terms, the other superpower.

Perhaps the Germans will rebuild to the point that they can, but at this point it is still a broken nation, a divided nation, shaken psychologically by the effects of World War II, although those psychological effects are now being dissipated. But it is not capable, nor is Western Europe capable, of standing up to the Soviet Union, even without the Warsaw Pact partners, without the stiffening of American support.

Senator **Gorton**. Doctor, thank you for wise counsel.

Chairman **Nunn**. Thank you, Senator Gorton. I believe Senator Bingaman is next, and then Senator Cohen.

Senator **Bingaman**. Thank you, Mr. Chairman.

Dr. Schlesinger, I appreciate your testifying and appreciate your comments very much. Let me just press you a little more on this issue about what our response or our reduction in troops should be in response to what the Soviets do.

You have said that the negotiations on conventional troop reductions have become largely irrelevant because of the pace of events, and I agree with that. Cannot the case also be made that the speed with which the Soviets reduce their troop strength is also largely irrelevant?

They have 375,000 troops in East Germany. We have 250,000 troops in West Germany. Does it really matter to us how quickly they withdraw those 375,000 troops? Do those 375,000 troops continue to pose a military threat to West Germany when there is an open border between East and West Germany?

Dr. **Schlesinger**. At the moment, no, but I would not want to allow the circumstances to develop in which that would change. At the moment, the Germans are on a high, on an understandable high and the country is moving toward reunification. The Berlin Wall is gone and so on.

But, if the Americans were to move out on the premise that those 375,000 Soviet troops in East Germany can stay and it does not matter when they are withdrawn, I think that you would find a psychological shift in Western Europe that we want to avoid. And that is, once again, they will feel naked and unprotected by the great Western superpower. That psychological stiffening has been our principal role.

Now, if we were to move from 250,000 in Germany to 220,000 or 205,000, you would not have that psychological effect. But if we were to draw down very rapidly and the Soviets did not draw down, I think that that would be potentially psychologically destabilizing for our allies.

German self-confidence was shattered by World War II and has not been completely restored. I do not think it will be completely restored in this generation, irrespective of what has happened.

Senator **Bingaman**. Well, there are reasons why the Soviets might not be willing to bring those troops home right now, which we may not share as far as bringing U.S. troops home. Is it fair to the U.S. taxpayer to say we will bide our time until it is convenient for the Soviets to bring these troops home, even though the Soviet troops really pose no military threat at this stage, which I believe is your testimony?

Dr. **Schlesinger**. I think that the answer to that is absolutely. I think it is fair to the taxpayer. I think it is fair to the American role. By God, we have gone eight innings and if we do not take the field in the ninth inning, so to speak, we would be making a severe mistake. I would not unilaterally–

Senator **Bingaman**. But in your testimony you say we have won. That is not the eighth inning. You cannot win in the eighth inning. I am just wondering how many more innings we should keep the troops there.

Dr. **Schlesinger**. We have won the cold war, the classic cold war. The Russians admit that. But we have got to be careful about winning the peace, and if we suddenly disappear from the field of action we may allow the loser of the classic cold war to rescue his position. And I do not want prematurely to do that.

Senator **Bingaman**. Let me ask about the 75,000 to 100,000 troops you think should remain there indefinitely. You have indicated to Senator Warner, in response to his questions, that we should not take on the job of policeman of East Germany. What are those 75,000 or 100,000 troops going to do in West Germany or in Western Europe?

Dr. **Schlesinger**. Well, in the first place, it is not clear to me what will be the number of invitations issued by a German government 4 or 5 or 7 years down the line. There is, as I mentioned in my paper, a high degree of irritation with the American forces that has been dwarfed in the past by fears of the Soviet Union.

As the fears of the Soviet Union are diminished, the attention to the irritations will grow. And it is not clear to me that the Germans will want to have 75,000 or 100,000 American soldiers on their soil. I think, as I mentioned in response to Senator Gorton, if you ask the Europeans in general should the Americans remain, the answer will be a solid yes.

When you begin to ask where they remain, you begin to get trouble. So I do not know that we would be permitted.

Senator **Bingaman**. Why would we want to, I guess is my question. If they permitted us to keep 75,000 or 100,000 troops there, why should we want to do that? That is still a large expenditure.

Dr. **Schlesinger**. Because east of the Polish frontier will remain the Soviet Union, battered politically but still with a very powerful military establishment. The American political goal of preventing Western Europe or Central Europe falling under the shadow of the Soviet Union continues. We do not want a totalitarian power or a semi-totalitarian power now to dominate Western Europe.

The role of those forces will be as a token, as a symbol of the American commitment and provide the capability for the rapid reintroduction of American force if that should prove necessary. I do not think it would prove necessary. I think that the very existence of that continuing deterrent would make it unnecessary.

By the way, in the pre-Korean period our forces were at a much lower level in Europe than the force that I have specified.

Chairman NUNN. They were also at a much lower level in the early to mid 1970s when we were in Vietnam than they are now.

Dr. SCHLESINGER. They were numerically lower at that time. They were in the range of 150,000 to 175,000 if memory serves me, Senator.

Chairman NUNN. That is substantially lower than they are now.

Dr. SCHLESINGER. Yes, sir. The 75,000 to 100,000 is more than what we had in Europe at the outbreak of the Korean war. It was the outbreak of the Korean war that brought these demands from the Europeans, we are naked, help us, station your forces here. Those demands have changed as Europe has prospered and will change more as the perception of the Soviet threat alters.

Chairman NUNN. Thank you, Senator Bingaman. Senator Cohen.

Senator Cohen, I should have recognized you earlier. You have my apologies.

Senator COHEN. I appreciate your agreement to give me an additional 5 minutes. [Laughter.]

Chairman NUNN. With your combination of promptness and age—I mean seniority—I should have recognized you earlier. [Laughter.]

Senator COHEN. Dr. Schlesinger, you talked about the United States deserving a lot of credit for maintaining its strength during some difficult times. I thank you also for your service in numerous senior government positions and your writings and commentary also deserve some of that credit. A number of us remember an article that was written in Time magazine in I think it was July 1988.

Let me ask you what you mean when you say we should now radically scale back our forces in Europe.

Dr. SCHLESINGER. We should plan.

Senator COHEN. Plan to do so.

You mentioned also about being fair to the taxpayer of this country.

Should we, therefore, defer if not terminate some new starts primarily intended for the European theater in this budget?

Dr. SCHLESINGER. Without going into detail, I would give a general yes to that, yes, sir.

Senator COHEN. You also indicated "The time has come, more or less, for Europe to be defended (primarily) by French and German forces."

Dr. SCHLESINGER. I cited Chancellor Schmidt to that effect.

Senator COHEN. I assume that there will be no land-based nuclear forces in your vision of the future Europe, Western European theater at least?

Dr. SCHLESINGER. No, sir. I would not withdraw those land-based nuclear forces.

Senator COHEN. Who would hold the keys to those forces? In whose pockets would the keys of the forces belong?

Dr. **Schlesinger.** It would belong in the pockets of the American forces and the President of the United States.

Senator **Cohen.** So if there is a movement within either a unified or, indeed, a confederated Germany that says we want all nuclear forces, all land-based nuclear forces out of Germany, you would resist that?

Dr. **Schlesinger.** I would resist that.

We must recognize that in these changed circumstances the weight of German opinion rises, and that will from time to time be uncomfortable for us.

Senator **Cohen.** I take it also if the major task of defending the Western Europeans or Europe, I should say, should be done by the French and German forces, who remains SACEUR? Who is the head, the Supreme Allied Commander? Is it going to be a German officer or French who is not part of NATO?

Dr. **Schlesinger.** I would certainly not suggest that he cease being an American. I do not know whether that suggestion will come forward from our European allies. They will have great difficulty suggesting that America not be SACEUR, and they will find great difficulty if there is no American general to initiate the use of nuclear weapons in those hypothetical but now most hypothetical circumstances.

Senator **Cohen.** Is it your judgment that the Soviet Union will have no choice but to accept a unified Germany with a small, 75,000 to 100,000 man force on the part of the United States?

Dr. **Schlesinger.** I think that the Soviet Union will fight to have greater latitude than that. Since I cannot read the future, let me tell you about my fears about the future. I think that in April of this year or May after the election when they have been told to get out, the Soviet Union will announce we are leaving Eastern Germany on the proviso that Germany be neutralized. If I were a Soviet leader, I would think that carefully through and might regard that as my best option.

I think, therefore, that the Soviets will seek that. I fear that the Soviets will seek other options.

Senator **Cohen.** Absent that particular hypothetical, which may not be hypothetical, is it your judgment that it is inevitable that the Soviets will insist upon maintaining some level of presence in Eastern Europe, assuming that the United States is going to insist upon maintaining some level of presence? If that is the case, I do not know you can get around this subject of saying it would be detrimental if the negotiations were to legitimize Soviet deployments in Eastern Europe.

If that is the foregone conclusion, that there will be forces there, then I think you have to assume that the negotiations inevitably are going to legitimize something on their side and something on ours.

Dr. **Schlesinger.** I think so, and that is part of the potential down side of the negotiations process. What I would hate to see is that the Soviet Union is prepared or will be believed to be prepared to leave Czechoslovakia and Hungary which they invaded in 1956 and 1968 and that the negotiations stretch it out. Let them get out of Hungary. Let them get out of Czechoslovakia. We will deal with the German problem down the line.

My suspicion is they may want to have a residual force in Germany, but it will become increasingly unpleasant for them. To the extent that Mr. Gorbachev wants Western technical and economic assistance, alienating the Bundesrepublic will not be a wise course of action.

Senator COHEN. Senator Warner suggested that perhaps you referred to the Four Power Agreement when discussing U.S. presence in Western Europe. I would respectfully submit that if the German people were to ask the United States to leave, there would probably be a rush to the exit doors on the part of the United States to get out, notwithstanding any Four Power Agreement.

One final question at this point. Your fear is that the reductions that will take place in the U.S. force structure as compared to that in the Soviet Union will leave a preponderance of power and logistical advantage to the Soviets as regards access to the Persian Gulf. We know they are experiencing a considerable difficulty now with their own supply of energy, and they have always had at least a long-term eye upon the Persian Gulf.

In your vision, at least, does that mean that Israel as a country is more important or less important or about the same with respect to giving the United States logistical access to the Persian Gulf?

Dr. SCHLESINGER. I am glad you raised that question, Senator. I think that the strategic significance of Israel has been exaggerated for reasons of affinity between the United States and Israel. Access to the Persian Gulf will depend in large degree upon the Persian Gulf powers themselves, starting with Saudi Arabia.

My concern, by the way, is not that a properly drawn-up U.S. military force structure will allow the Soviets to improve their relative position for moving into the Persian Gulf. It will be the pressures from the public, the drawdown because of budgetary pressures that Senator Warner and other members of the committee have mentioned that in this euphoria we will not recognize that we have lots of military risks out there for the future.

Senator COHEN. Mr. Chairman, if I could just make one observation.

Dr. Schlesinger, I tend to agree with the theory that you have. Nonetheless, it would seem to me that we have to foresee a force structure which places more reliance upon sea-based and force projection capabilities and less reliance upon what traditionally has been our source of power in Western Europe.

I call our colleagues' attention to what happened when it was necessary to call upon our allies to launch a strike against Libya and what the response was in that case.

So I do not think we can point to Europe and say therein lies the source of somehow reinforcing access to the Persian Gulf by calling upon the NATO alliance to provide that. I think what we are going to have to do is structure the forces so that we can project power irrespective of relying upon land in Western Europe. That, to me, may enhance rather than diminish the significance of the state of Israel.

You may think it has been exaggerated in the past, but I would say that they might provide even more access to the region rather than less in the future.

Dr. **Schlesinger**. I think that is a valid comment, Senator. All of us will recall that in 1973 our attempts to provide support for Israel after the start of the Middle Eastern War were visibly not supported and in some cases obstructed by our European allies.

Aside from the United Kingdom, all of them are dependent on the Persian Gulf. The United States' role in the Persian Gulf in part is to provide security of access for the Free world in its entirety, and I cannot imagine under those circumstances that many of the European powers would be permitted to be obstructive.

I agree with the point that you made nonetheless.

Chairman **Nunn**. Thank you, Senator Cohen. Senator Dixon.

Senator **Dixon**. Dr. Schlesinger, I just want to advise you that I agree fully with your presentation. I think the American public would support enthusiastically the things that you said here.

I want to make a brief statement and then lead into a question which I would like to frame for you.

First, I would like to say I do not think the administration will get your message. That is the concern that this member of the committee has. I want to frame it in this way.

Last year we had a lot of these discussions about force level reductions, closing of foreign bases and other things in this committee, on the floor of the Senate and throughout the Congress. The President, as you know, made the important suggestion about the reduction of 30,000 combat troops on our side and commensurate reduction in tanks, personnel carriers, fighter aircraft and other things. That was important, and it is still being talked about.

In connection with the military bases, we closed 86 military bases in the United States to the devastation of certain regions of our country domestically. When Spain ordered us out of our fighter base, most of us and particularly this chairman of a jurisdictional subcommittee heard from everybody in the administration worried about opening a base in Crotone, Italy and spending billions there.

The biggest catch word on the Hill this year is peace divided, but if you look at the budget you could not buy a good Havana cigar out of the peace dividend in the budget this year.

So I put it to you. I think you are right. Now why should this committee and the other jurisdictional committee in the House in the authorization process and why should those in the budget and appropriating process this year not work to make some kind of reasonable, not shocking but reasonable, sensible, conservative reductions in Europe and perhaps elsewhere, suggest a phase-in over a period of years, and really make a difference in the authorization and the budget process this year that would be meaningful, send the right message and take this thing in hand?

We are going to talk about it all year. Nothing will be done, in my view, unless this committee and like-minded people in the Congress who are jurisdictional do something.

Dr. **Schlesinger**. I cannot say I am glad you raised that question, Senator.

Senator **Dixon**. But if I do not and we just talk about it, you have made a valuable contribution, and we are to leave here and say Dr. Schlesinger said some things that are powerful and right, and I am telling you nothing really is going to happen.

Dr. SCHLESINGER. I think that it is important for this committee to work with the administration to shape the future, shape the future of the military establishment.

I have great empathy for Secretary Cheney. I know how hard it is for anybody in the Pentagon to draw down the budget. That is painful. He hears from all sorts of constituencies with each decision.

I am concerned that in the process of addressing these things that we have not addressed the future enough. Now as one who has called for very high defense expenditures in the past, I am reluctant to advocate reductions. I do recognize, however, that there are budgetary pressures. Some of them are self-stimulated, such as Gramm-Rudman, and you have to live with them. If you live with them, by golly, I hope that this committee will go out and help structure any reductions that may occur rather than throwing it out as the opposite body does onto the House floor. People come up with every bloody amendment——

Senator DIXON. May I politely interrupt at this point in time? I agree with your response.

Let me just say you have talked about reducing it to 75,000 or 100,000. With dependents over there, we have one-half million people right now. If we would reduce it in this committee let us say 50,000 plus dependents this year and make commensurate reductions in tanks, personnel carriers, artillery pieces, fighter aircraft and other things--and they are suggesting closing 15 out of 1,500 bases in the world in this budget. It is a spit in the ocean. If we would do anything significant, meaningful, conservative, Dr. Schlesinger, not radical, would that not be a step in the right direction?

Dr. SCHLESINGER. I think that it could be. It need not be, but it could be.

Senator DIXON. It would not endanger the interests of America or peace in the world at large.

I take it from your testimony.

Dr. SCHLESINGER. I think that, as I have indicated, I am more concerned with other components of the budget and that preserving the NATO commitment at the expense of other components that have longer range military significance would bother me.

So, if you are faced with that decision, I certainly would advocate that you take the steps that you indicate.

There are many proposals. If, indeed, we go forward as we are with the CFE, I cannot see that the administration will want to have 300,000 or 275,000 people in Europe at the end of fiscal year 1991. I think that process will start, and so this committee may want in a prudent and conservative way to approve a certain level of expenditures contingent upon the failure of the Soviet Union to withdraw from Hungary, to reduce their forces to a certain level, and that that would not occur unless certain design characteristics were not met, and in that way you would have a contingent appropriation that would not be triggered.

If indeed the Soviet Union acts in the way I expect it to act under pressure in Eastern Europe, then you would not have these appropriations and the drawdown that you specify would commence.

Senator DIXON. My time is up, but may I say to you, Dr. Schlesinger, you have made a valuable contribution, and I would hope this year instead of listening to the single talk about how we cannot move until they move that we would recognize the intelligent contribution that you have made here and do something, something to address this problem.

The American taxpayers, I think, demand it, and I think it will not put us at risk in the world at all.

Chairman NUNN. Thank you, Senator Dixon.

Senator DIXON. Mr. Chairman, I ask that my prepared statement be made a part the record.

Chairman NUNN. It is so ordered.

[The prepared statement of Senator Dixon follows:]

PREPARED STATEMENT BY SENATOR ALAN J. DIXON

Mr. Chairman, today's hearing is the fifth in a series of hearings this committee is holding on Eastern Europe and the Soviet threat.

As I have said in our previous hearings, the United States must examine what is happening in Eastern Europe in order to base our actions on solid information. The Soviet Union still has many military divisions in Europe. I believe that we can make cuts in our military strength in Western Europe now, but I do not think we should make massive cuts in our strength until we see a complete withdrawal of Soviet troops from Eastern Europe. We cannot relax our vigilance until the peoples of Eastern Europe can truly breathe the air of freedom—freedom from the threat of the presence of Soviet troops.

Mr. Chairman, I look forward to hearing from Dr. James R. Schlesinger, former Secretary of Defense and Director of the Central Intelligence Agency.

Chairman NUNN. I believe Senator McCain is next.

Senator MCCAIN. Thank you, Mr. Chairman, and thank you, Mr. Schlesinger—Dr. Schlesinger, for an always illuminating discourse again this year. It is always extremely valuable, I think, speaking for myself and the rest of the committee.

Dr. Schlesinger, you certainly are aware that Secretary Cheney has stated unequivocally that CFE and START could lead to major further reductions, three divisions, five air wings. You are aware of that?

Dr. SCHLESINGER. Yes, sir.

Senator MCCAIN. So certainly neither Secretary Cheney nor the President is without plans on this issue of further reductions. I know of no one, very frankly, who believes that a 10 percent number that was bandied about is embedded in concrete.

As we sit here events are unfolding in the most rapid and dramatic fashion as you stated since the onset of the cold war.

So, to make unequivocal statements about what may look good today tomorrow may look entirely different. I don't think there is any more dramatic example of that, is there, Dr. Schlesinger, than the fact that we just heard that Mr. Gorbachev may be resigning as the General Secretary of the Communist Party. That may mean that he is to be replaced by a hard-line conservative government which could cause us to dramatically reevaluate the discussion that is taking place right now. Would you disagree with that?

Dr. SCHLESINGER. No, I would not disagree with that, save I would point out one thing, that it is not possible in my judgment to reverse the changes that have occurred in the last year.

The Soviets can alter their political stance as they can replace their present leader with one more belligerent, but they cannot, in my judgment, restore the imperium that they have enjoyed for 40 years in Eastern Europe.

Senator McCAIN. They cannot, in my judgment either, Doctor. But it could certainly put a very different slant on the rapidity and the nature of reductions in our defense budget.

Dr. SCHLESINGER. Absolutely. I believe I testified to that effect.

Senator McCAIN. My point is that to allege that the administration is doing nothing, is embedded in concrete, and that it will only act in reaction to negotiations and other moves on the part of the Soviet Union is, I think, certainly not revealing of the posture of the administration as I know it; which I know is not your allegation.

Dr. SCHLESINGER. I certainly do not make that allegation, and anyone who infers that from my statement would be in error.

Senator McCAIN. Thank you, sir. Let me just ask, since it is in the news in the last hour or two, what would be your fears if Mr. Gorbachev were removed from a position of power in the Soviet Union?

Like all of us, we are reminded of Yogi Berra who said, "Never try to predict, especially when you're talking about the future."

But what are your fears if Mr. Gorbachev were removed?

Dr. SCHLESINGER. From an American standpoint Mr. Gorbachev has done his job well and thoroughly. In the first place, the result of his actions cannot lead to a restoration of the Soviet imperium in Eastern Europe.

In the second place, perestroika, the attempt to reform the Soviet economy is a visible failure. A subsequent leader is not likely to improve upon or to detract from that failure if you get my meaning.

There is no way that you can combine in the Soviet Union the kinds of decentralized activities that Mr. Gorbachev I think rightly aspired to but underestimated the difficulties of implementation.

The Soviet economy will continue to be a mess. If we have a hard-line leader other than Mr. Gorbachev in power, the chances of getting a great deal of assistance from the West and particularly from Western Europe will substantially diminish.

The likelihood of Soviet withdrawal of forces from Eastern Europe will diminish. The costs of that in terms of the more open stance of the Soviet Union will be severe for the Soviet Union. So, Mr. Gorbachev's replacement at this time is not going to solve any problems of the Soviet Union, and some of them will be worsened.

It is for that reason that we face the situation in which you cannot go home again. You cannot go back to Mr. Brezhnev, happily. You cannot go back to the power that he enjoyed.

Senator McCAIN. Well, frankly, Doctor, my concern is not that we are not going to enact significant cuts in the defense budget and reductions in the force structure. My greatest fear is that we do it with a meat axe rather than a scalpel, and the proportionate cuts, which are clearly the easiest way to enact these reductions, will be the path of least resistance.

I might add just in passing that I have not heard an outpouring of support for base closures on the other side. In fact, all I have heard is howls of outrage, and it is beyond me how they can cut the defense establishment to a dramatic degree and yet not close a single base in the United States. Close them all overseas, but not in the United States. I just throw that in.

But what I am more concerned about is convincing the American people that we need a new strategy, and that strategy, it appears to me, should be the one this Nation employed up until 1945, and that was a maritime strategy.

As my colleague, Senator Cohen, mentioned; the ability to project power does not mean relying solely on maritime forces, but on rapidly deployable and capable forces which can react to the new challenges that our nation faces. Would you disagree with that?

Dr. SCHLESINGER. Maritime strategy has acquired in the course of the decade of the eighties certain overtones that I just as soon not be associated with, but your fundamental point that we need to have forces which are mobile forces and that we do not depend upon others for territory, that we are able to project power, particularly into the Third World, is a point well taken.

I think that one of the effects of the collapse of the Warsaw Pact threat, at least for the next 2 or 3 years and probably forever, is that it reduces the relevancy of that scenario in which we charge all of our carriers up off around the North Cape and bombard the Kola Peninsula.

Senator MCCAIN. That is not what I had in mind, either.

Dr. SCHLESINGER. That is not what you had in mind either, Senator, but that was part of the maritime strategy some years ago.

The main point is our problems are increasingly in the Third World and that the United States will remain a global superpower, I believe, and will be the great stabilizing power and that it will continue to need global reach and that naval forces are an essential ingredient in that and a larger part of the total than they have in the period in which we faced the threat of a massive Warsaw Pact threat.

My basic point in my discussion is we must look to the future, to the future risks and uncertainties, and prepare now to deal with them.

Senator MCCAIN. My time has expired. Thank you, Dr. Schlesinger. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator McCain.

The word I received is that CNN is reporting Mr. Gorbachev may resign as the head of the Communist Party but remain head of state. I do not know whether that is accurate or not, but that is what CNN has been reporting. You can interpret that as a sign of weakness or you can also interpret it as a sign of preempting the deterioration of the Communist Party which Mr. Gorbachev has witnessed all over Eastern Europe and letting someone else hold that eroding asset.

Senator MCCAIN. I think that easily could be.

Chairman NUNN. He is pretty good at getting out in front of the curve. I think we will have to await further reports to see what will happen and indeed why it is happening.

Senator Thurmond I do not think has had a chance to ask questions.

Senator **Exon**. I believe it is my turn.

Chairman **Nunn**. Senator Exon has not had a chance to ask questions. Senator Exon.

Senator **Exon**. Dr. Schlesinger, thank you again for being here. I congratulate you on your excellent testimony. You have been before this committee on many, many occasions. At least this Senator and I think most of the committee consider you very much of an expert on these matters and, therefore, your testimony today is very important to us.

I congratulate you as with the rest of us who have been hard liners now to have the courage to recognize the fact that our actions in the past evidently have been successful and now we have a new day dawning and we better be taking a new rather dramatic look at where we are going from here, and that is why I think your comments today have been helpful.

You have had lots of experience in this whole matter of the cold war, and I consider you an expert on Europe. Given what will be, I am sure a drawdown of our forces in Europe to some degree—to what degree I do not know nor how fast I do not know, but as our troops come out, I think back to the time in the late 1970s and maybe the early 1980s when there were some political forces in Europe in more than one country that were demanding and suggesting that if their country did not pull out of NATO, they would significantly cut back their commitment to conventional forces.

Under the scenarios that we are now faced with and if we think that we can pull out some of our troops, there is a possibility that the attitude that was fostered in the 1970s could come back again as a political proposition.

Do you think that the present scenario might restrengthen those forces? A force that might say this is the time for we the French or we the Germans or we the British or some of the others should make a significant withdrawal? I am not sure that I quite understand Helmut Schmidt's concept that just the French and the Germans should be part of those forces over there.

It would seem to me that if the NATO alliance is going to hold together, other countries are going to have to be similarly involved.

Dr. **Schlesinger**. I think that is right and quite clearly Helmut Schmidt was using this as shorthand to underscore what he regarded as the permanence of the French-German alliance, but he certainly was trusting that the British, clearly the British, the Dutch and the Belgians would remain on German soil. He was just using this as an offhand and shorthand.

And the main point is that the United States has had a critical role to play with its deployments as long as that Warsaw pact capability was as large and threatening as it was.

In the long run the United States' role in the defense of Europe should shrink. I have never agreed with the premise of General Eisenhower in the early fifties when we first sent four divisions to Europe that if those divisions were still in Europe in 10 years' time that we would have failed in our policy. And he could not imagine their staying for 10 years' time. This is 20 years later because only the United States could offset the role of the other superpower.

But now our role is shrinking, and the primary responsibility for European security could shift to the Europeans.

I am concerned that they might feel that it is advantageous for the United States still to bear that primary responsibility.

Senator **Exon**. Given, Dr. Schlesinger, this unprecedented turn of events and given what appears to be serious economic conditions in some of the Warsaw Pact countries economically, and given the fact that many of us are wondering where in the world they are going to get their wherewithal, the capital to move as we would like to see them move into democracy and capitalism and given their past history of where some of those countries have turned under uncertain conditions, uncertain economic and distressed conditions to the far right, right-wing dictatorships, do you think there is a potential threat that we should be looking at?

Dr. **Schlesinger**. I think that we should always be alert to that possibility. I suspect that some of the nations of Eastern Europe that have had little experience with democracy, as they encounter frustrations with change, are likely to turn to autocrats of one sort or another.

I suspect that those autocrats will combine as autocrats have in the past, appealing to a popular constituency, right-wing and left-wing rhetoric as Adolph Hitler himself did. That was the National Socialist party, and he kept stressing the socialism.

It may seem to be somewhat synthetic to us, but that was the case. They will combine all sorts of elements. It is not the responsibility of the United States to prevent the countries, small countries that will not impact substantially on world power relationships, having an autocrat instead of a democratic state.

I think that there are fears with regard to Germany, that probably are exaggerated and based upon past views, but Germany no doubt will become the most powerful nation in Europe and that the future orientation of the German Government is much different in importance to us than, let us say, Hungary or Rumania.

Senator **Exon**. Thank you, Doctor. Dr. Schlesinger, my time is up. I will have one or two more questions on a second round.

Chairman **Nunn**. Thank you, Senator Exon. Senator Thurmond.

Senator **Thurmond**. Thank you, Mr. Chairman.

Dr. Schlesinger, it is good to see you again. Glad to have you here.

Dr. **Schlesinger**. Thank you.

Senator **Thurmond**. I am a little bit hoarse. I had the flu last week, but I hope you can hear me.

Dr. Schlesinger, in an effort to assist in the rebuilding of the economies of Eastern European countries, some individuals are suggesting that we lift the restrictions on technology transfer to the Eastern bloc. What is your view of such a proposal?

And what is the potential that this technology will end up in the Soviet Union and subsequently be used to improve Soviet military capabilities?

Dr. **Schlesinger**. I think it is very likely that the latter will occur. I think Secretary Cheney has spoken to this issue quite eloquently, and it is one of the reasons that in his budget he has stressed maintenance of our R&D outlays.

I have been recommending of late a book called Red Horizons by the former head of Rumanian intelligence, and much of that book deals with the stealing of western technology, which was enhanced in the case of Rumania by the most favored nation arrangements that the United States had given to Rumania, and then the Rumanians, who are quite enterprising, resold at a substantial profit the technology they had stolen from the Western World to the Soviets. We, of course, were giving it to them on the premise that they were not going to give it to the Soviets.

So, I think that your question goes to one of those difficulties that we are going to face as a result of the much more fluid situation that we have in international politics.

Senator **Thurmond**. Thank you.

Dr. Schlesinger, during a hearing last week, United States intelligence officials were in unanimous agreement that the Soviet Union continues to invest heavily in modernizing its strategic nuclear forces. Indeed, their very stature as a world power comes from the Soviet's large ballistic missile and nuclear stockpile.

In light of this, how important is the United States' strategic modernization program? Should we continue to expend about the same amount of resources into the program and how important do you think strategic nuclear deterrents will be in the future?

Dr. **Schlesinger**. I think it is essential for us to retain a strategic nuclear deterrent. The demands on that deterrent are somewhat less with the collapse, essentially, of the Warsaw Pact capability to initiate a conventional offensive against Western Europe, but we must always be sure to retain that balance and that, therefore, modernization should continue with somewhat less of a sense of urgency than a year ago, but it should continue.

And may I put a plug in here, Senator Thurmond, that we continue our R&D activities, including the strategic defense area, that there will be a tendency to say it is all over.

This is an area of considerable military and technical interest, and we should retain those research programs.

Now, I am not arguing for expansion at the moment, but we should sustain our efforts.

Senator **Thurmond**. Dr. Schlesinger, how serious do you see the proliferation of ballistic missiles among Third World countries for the security of the United States and our allies in light of the possibility of a greater number of countries possessing ballistic missiles?

Is it worthwhile to help our allies develop tactical ballistic missile defenses?

Dr. **Schlesinger**. I think that it is a serious threat. One of the effects of the reduced bipolarization of the world will be a spread of these capabilities into hands that we do not want; we should be more concerned with that as a future problem than perhaps we have been in the past.

I think that certainly we should move in developing, if we can, effective capabilities to neutralize tactical ballistic missiles and that, selectively, that technical capability should be shared with our allies.

At the moment we do not have to make that last decision. At the moment our decision is to continue with these developments.

Senator **Thurmond**. I want to thank you for appearing. I recall distinctly the great job you did as Secretary of Defense. I hope you are enjoying good health and wish you continued success.

Dr. SCHLESINGER. Thank you very much, Senator, for your comments.

Chairman NUNN. Thank you, Senator Thurmond. I believe we have completed round one of questioning. Other members may come in that have not had an opportunity to ask questions, and if they do, we will recognize them at that time.

Dr. Schlesinger, I have several questions. One question relates to naval deployments.

We have kept a number of carriers in the Mediterranean and in other waters proximate to the Central European theater. Do you believe that part of our review should also be to ask questions about whether we need to continue the degree of deployments within the Mediterranean with naval forces, and also in other areas, and whether that has any effect on the number of ships we need?

Dr. SCHLESINGER. Absolutely, Senator.

As you will recall, we reduced the commitment to the Mediterranean from two to one. We have a greater degree of flexibility. I think flexibility is always desirable; to say that we must always have two carriers or five carriers at certain specific sites is like saying that it is so important that we have taxis available at the corner, that there must always be five taxis at the corner, and that they cannot deliver passengers unless there are taxis there.

As you may recall I attempted to loosen that commitment. We entered into that commitment many years ago at the time of the death of the Turkish Ambassador to the United States, whom President Truman decided to send over—send home—in an American battleship, and that was the start of the commitment to the Mediterranean.

I think circumstances have changed. The carriers can now fly 100 planes rather than 50 planes. All of that needs to be reviewed.

The great benefit of naval forces, as was stressed by Senator McCain and I think by Senator Warner, is their mobility. If the advantage of mobility is there, then we ought to be prepared to exploit it.

Where we really need naval forces is in the Persian Gulf region, in the Indian Ocean, in the Pacific. There are no substitutes for carrier forces.

Chairman NUNN. We need them where we cannot project land-based.

Dr. SCHLESINGER. Right.

Chairman NUNN. I think the question of strategy is going to come up. Everyone has a different definition of strategy. You can grab whatever definition you want for this purpose, but do you believe that based on your definition of strategy that we need to have, beginning this year, a fundamental reassessment of America's strategy in a changing world? Is that part of what you are saying?

Dr. SCHLESINGER. Yes. The world has changed. We must recognize that it has not been transformed in the sense that the Soviet Union has ceased to be a major military power, but we should deal with the changes that have occurred and not project a reduction in Soviet military capability that has not as yet occurred.

We must recognize that there are other threats out there that are becoming more important to the United States, and that strategy should be determined to deal with risks in the future, risks that we can better define today than we could a year ago.

Chairman NUNN. So you would not go along with the theory that the strategy has worked and therefore it is not time to review it?

Dr. SCHLESINGER. No, sir. I would not go along with that theory. I think that because our strategy has been successful that the successes mean that some alteration is necessary.

Chairman NUNN. We need some advice from you based on your experience, which has been probably more substantial than anybody I know in the national security and foreign policy field in this country, as to how we go about reviewing weapons systems.

There are at least four or five, without getting into which weapons systems, and I am trying to think in terms of the way you would think about the subject—not whether you are for or against one weapons system or another. But how would you go about trying to decide whether we go forward, for instance, with a new tactical fighter, a new Navy plane, a new submarine, a new modernization of the M-1 tank?

We are talking about hundreds of billions of dollars. How would you go about making that review? What kind of conceptual thinking would you have as to whether we need to go into production on those systems and when we need to go into production on those systems, based on the current circumstances?

Dr. SCHLESINGER. I would be reluctant to move new systems into production. I am not saying that we should not do that, but we now have a great deal on our budgetary plate and the great danger at the present time is that we stretch out everything and that we run up unit costs.

For the moment, I would be inclined to finish some of what is on the plate. Now there are certain new systems that may validly be required. For example—let me add one other thing before I come to the examples. It is necessary to look at the overall budget that this Congress will provide to the administration.

I have always been concerned for the Air Force as well as for the DOD and the country that a $40 billion expenditure on the Midgetman might not be the best investment of our funds—would not be the best investment of our funds—in my judgment, given the budget levels we would have. If we had 7 percent of the GNP, I would be more inclined to go with Midgetman.

But the marginal addition to our security provided by Midgetman does not, in my judgment at least, constitute the basis for so large an expenditure of Air Force funds.

Chairman NUNN. Would you stick with that if it were coupled with an arms control proposal that did away with MIRVed land-based missiles on both sides, including the SS-18s, over a period of time?

Dr. SCHLESINGER. Not necessarily, no, Senator.

Chairman NUNN. That would change the circumstances?

Dr. SCHLESINGER. That would change the circumstances. But if we could get rid of the SS-18 and other high-accuracy, high-threat weapons, then the argument for mobility is reduced. But, no, you are quite right. Those would be quite different circumstances.

Chairman **Nunn**. The argument for mobility is reduced, but the argument for going single warhead——

Dr. **Schlesinger**. Single warhead would be improved, yes, sir.

Now, another example. As we know, the Soviets have made strides, substantial strides, with regard to their submarine fleet in recent years. Command of the seas is of utmost importance to this island continent in reaching out to protect others. I would make great efforts to sustain our technological edge with regard to the submarine forces.

I am not in a position, however, to make for you the intelligence evaluation on that. But as a general principle that would seem to me to be a more valid expenditure of U.S. funds than the Midgetman system.

Chairman **Nunn**. I think my time has expired on this round. Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

Mr. Secretary, I am much relieved by the discourse that we have had, and colloquy we have had with you today. When I first read your statement, I must say it left me in a bit of a state of uncertainty and now I think you have provided in your oral statement a great many reassurances. I only wish we could convey to you to do what we do in the Senate, revise and extend your remarks to comport with what you said here.

But this written statement I think I am going to hear quoted time and time again, and I will just have to go back and bring up this record, which I think will clarify it.

I would like to go to a news release issued by the Secretary of Defense yesterday in connection with his budget presentation and follow on the important questions raised by Chairman Nunn with respect to the strategy.

The news release, which captured pretty much what he said, states as follows: " 'While some cuts are in order, changes in the nation's defense strategy are not,' Cheney said, calling this 'the worst possible time to contemplate changes in defense strategy. For decades, we have had a bipartisan strategy of strong partnerships with our allies and flexible response. What we need to do is to analyze what is right with that strategy and make adjustments.' "

So, if I were working on his grammar and syntax, he said first "this is the worst possible time to contemplate changes", and then his last sentence said we ought to "make adjustments." So somewhere in-between you have to figure out what was on the writer's mind. [Laughter.]

Senator **Warner**. But let us get the benefit of your thinking. You are now reincarnated as Secretary of Defense, and what a wonderful chapter in the lifetime of myself and those who had the privilege to serve with you.

Chairman **Nunn**. Would you pick the same Secretary of the Navy? That is the essential question. [Laughter.]

Senator **Warner**. I can answer that question for him. I was thrust upon him. He inherited a department, but he reconfigured it pretty quickly.

Mr. Secretary, you recognized in your statement—I copied down the notes—the difficulty that any Secretary of Defense has with dealing with the military departments. It is a political system unto itself. It is really a government within the government, the Department of Defense—the biggest budget and the like. You can amplify that if you wish.

And this Secretary I happen to think is courageous, but my only concern is perhaps he did not quite seize the opportunity he had in view of the dramatic changes in Eastern Europe, coinciding with another budget submission, a Presidential message, and coming before the Congress. There is time remaining between now and Thursday for him to change and revise his remarks a little bit.

But I think he should have grappled more with now is the time to reexamine roles and missions. Now is the time to make some tough decisions, not just to trim around the ears in a little bit of a haircut, in some of these military department budgets. So be it. He has the job and I have not.

But I am concerned as I listened to my good friend, Mr. Dixon, over here, who took your statement and I am going to hear that statement over and over again because he has his views, somewhat different from my own, but he thinks we ought to seize the opportunity here in the Congress to rewrite the strategy, reorder the priorities and do some major revisions to the President's budget.

So, given that struggle, what would you do right now if you were Secretary of Defense in terms of the strategy?

Dr. **Schlesinger**. Well, let me pick up on a number of points in your comment. First, the Secretary of Defense or societies at large—I do not want to personalize this because it is societies that have the great difficulty in recognizing change—societies get into trouble.

What I have pointed out here is, hey, for 45 years we have been worried about that Warsaw Pact threat. It ain't what it used to be, and we must recognize that.

Your quote from Dick Cheney is correct, I think, and some people like the word "change"; some people like the word "adjustment". In a generic sense, yes, we are going to continue with the strategy of deterrence. We are going to have collective security through our allies. Those elements of our strategy indeed are valid and are not going to change.

What needs to change is the mix of military forces to deal with a different array of risks in the future. And my plea was to recognize the changes that have occurred that are irreversible. There are some, as you pointed out earlier, Senator, that are not reversible.

The political constituencies—indeed, the services are political constituencies—for the Secretary of Defense. Some weeks ago I gave a talk at the War College and I pointed out that for 20 years now, including my tenure as Secretary of Defense, I have been hearing from the U.S. Navy: "Take it out of NATO. We are not paying enough attention to the Pacific, we are not paying enough attention to naval forces; take it out of NATO. We do not know what the problem is, but here is the solution; take it out of NATO."

And finally the Navy is right. [Laughter.]

Senator **Warner**. Let us close on that note. [Laughter.]

Dr. **Schlesinger**. I point this out, Senator, because I think that I have heard, at least in the prior phase of your career, some intimations to that effect. But you were then representing a more parochial interest than you do now.

Society finds it hard to acknowledge change. We get ourselves wedded, as somebody pointed out, to the negotiating process. You have pointed out, others are pointing out, negotiations can be useful, and indeed we hope that the CFE negotiations prove indeed to be useful.

But we will all recall how we were concerned, at least in the early 1970s that we had gotten so wrapped up in the process of negotiation with the Soviet Union, then led by Mr. Brezhnev, that a negotiating success was regarded as synonymous with success for the country. I think that we must retain a sense of discrimination that sometimes negotiations well serve the national purpose, sometimes they are a mix, and sometimes they may run against that national purpose.

The payoff from Vienna negotiations is less than we thought it would be in June or a year ago. That does not mean that they may not prove to be quite valuable. But the Soviet Union's position is now weakened in a second respect. A year ago, the Soviet Union knew that it had to cut its spending on military forces or be condemned forever to Third World status outside of its military establishment.

Now, in the course of this year, in addition to those reasons, it has discovered that its alliance system, the Warsaw Pact, has just disintegrated on it, and therefore it has other reasons for moving in the direction of the withdrawal of forces.

Now these factors change, and there is no substitute for recognizing current events and their impact on what we want to do, but current events also in the context of their longer-term implications.

I am sorry I have no simple solutions with regard to strategy. I point out that we must determine those risks that we see in the future, including the proliferation of ballistic missile capabilities, the proliferation of nuclear weapons—those are things that are down the line—and adjust our defenses because we have been given some leeway by the Soviet-Warsaw Pact collapse to make those adjustments, and we should seize the time and resources provided to do those things as intelligently as we can.

Senator **Warner**. Mr. Secretary, my time is up. Let me just ask you to touch for a minute on one subject. Again, we keep referring to the CFE as if it were a football game between the United States and the Soviet Union.

There are 23 nations involved in these very important talks, and the fact that there are 23 participants makes those talks, in my judgment, even more important. So we must give and take a little bit here and recognize they have got a strong voice.

But let us go to the Quadripartite Agreement. What significance, if any, is left of that agreement?

Dr. **Schlesinger**. Which of the Quadripartite Agreements?

Senator **Warner**. Basically the one that gives the right for the Four Powers in the closing days of World War II to make certain determinations with respect to the Germans.

Dr. **Schlesinger**. I thought you might be referring to the Quadripartite Agreement in the early 1970s with regard to the status of Berlin.

It is an important legal element. It is an important legal element. Some weeks ago—since I am not in the Government I can speak more frankly than those in government—the Germans were beginning to feel their oats very much as the Berlin Wall had come down, and Chancellor Kohl seemed to be getting ahead of his alliance partners with regard to the reunification issue.

And at that time there was a Quadripartite meeting called in Berlin and the purpose of that Quadripartite meeting basically was to remind——

Senator **Warner**. Symbolic.

Dr. **Schlesinger** [continuing]. Remind the Germans.

Senator **Warner**. The world of its existence.

Dr. **Schlesinger**. Remind the world of its existence and what it implies, that the Germans were not free to reorganize their affairs on their own. That meeting had some down side in that it revitalized, as it were, the Soviet role with regard to West Berlin and West Germany. It was regarded as a valid reminder and, as one German leader has said, we got the message.

It will be of continuing importance and the Germans recognize that. But it is my judgment that we should be very careful in waving that particular legal instrument lest we use it in a way that alienates the emerging reunified German state, that we must handle those residual powers with great discernment and, if I may say so, compassion.

Senator **Warner**. A little deference.

Mr. Chairman, thank you so much for the added time. Thank you, Doctor. It was the pleasure of all of us to have you here today

Chairman **Nunn**. Thank you, Senator Warner. Senator Exon.

Senator **Exon**. Thank you, Mr. Chairman.

Dr. Schlesinger, just one last general question that I want your advice and counsel on. The chairman has been holding this whole series of meetings on the threat, what is the threat, reassessing the threat. Today we have concentrated primarily on the conventional forces proposition, which I think is well-meaning.

You are also an expert on the strategic threat. My question is, have you had an opportunity to study the strategic recommendations of the Bush administration in the budget announced yesterday? How do you see that—too much in the strategic area, too little, about right—given the fact, as you know full well, that while the Soviets are making lots of promises and in fact are doing some things on cutting back on conventional forces, at the same time they are modernizing their nuclear deterrent, particularly with their SS-18 improvements and continuing to deploy the SS-24s and SS-25s, and have not cut back, as far as we can tell, on their aircraft, the Backfires and the Bears primarily?

Certainly the strategic arm of our deterrence has to fit in and be a part of the considerations that we make with reduction of conventional forces. I would just like to have you expound on some of these things that I have outlined and give us your thoughts on what we should and should not be doing in that area.

Dr. **Schlesinger**. I think that strategic modernization is still required. I think we will have some difficulties defining just where strategic modernization should take place. But although strategic modernization is required, it is required with a lesser sense of urgency than was the case 9 months ago.

Why? Because the only way that one could have seen a nuclear war starting was a massive conventional Soviet invasion, a Warsaw Pact invasion of Western Europe on the premise that the United States would not respond to defeat with nuclear weapons and that from that one could escalate to a much more serious nuclear encounter.

I have never put much stock in the bolt from the blue. Preemption, yes, but the bolt from the blue, no. So I think that with the collapse of the Warsaw Pact conventional capability, the urgency with regard to strategic forces is reduced.

The Department of the Air Force, the Secretary of Defense have in the past taken the view, which I believe to be correct, that we have got tough decisions to make. You know how we tell the services you have got to go out and make tough decisions, and the Air Force said, hey, we are going to make a tough decision here. Let us kill off the Minuteman. Do not make those kinds of tough decisions; we do not want you to make tough decisions.

The Pentagon was reversed, as we all know, in the White House. So there are intra-administration political considerations.

I have mentioned that I do not think that——

Chairman NUNN. Dr. Schlesinger, I have got to interrupt your history on that one, because the Scowcroft Commission recommended the Midgetman and that was basically the foundation on which Congress would approve the MX.

Senator EXON. I think he was talking about the Minuteman, not the Midgetman.

Chairman NUNN. I think you are talking about the Midgetman, are you not?

Dr. SCHLESINGER. I am sorry. Did I say Minuteman?

Chairman NUNN. He is talking about Midgetman.

Dr. SCHLESINGER. I am sorry.

Chairman NUNN. So there is a little more history to it than that one. That was not a tough decision for them because they never wanted it to begin with. They wanted the MX, and they sold the MX to the Congress on the basis of going along with the Midgetman in an overall arms control regime. So I would contest your definition of that being a tough decision for the Air Force.

I think it was a very, very easy decision for them.

Dr. SCHLESINGER. Tough in the sense of killing a system. Now I recognize that the Scowcroft Commission did do a good deal of sniffing around on Capitol Hill and they discovered that the MX was not going anyplace without the Midgetman.

Chairman NUNN. It was going down the tubes.

Dr. SCHLESINGER. So that that went forward as a part of political considerations. But as we deal with this new and changed world, I urge that all Members of Congress also reconsider their attachment to their favorite weapons systems.

I think that the stress in the strategic program should shift a little bit toward R&D. I have said some words in favor of a sustained effort with regard to strategic defense, not preparing for a deployment next year or the following year but a sustained effort in that area that is technologically and militarily interesting and grows more so, particularly if we are concerned about our allies in the eastern hemisphere as nuclear weapons proliferate and nuclear weapons capabilities proliferate and missiles capabilities proliferate.

And the Soviet Union may discover over time that its objections to such research diminish as it changes its political orientation. The Soviet Union, after all, is right cheek by jowl with the People's Republic of China. So events change attitudes.

But as a general proposition I think that there is a lessened sense of urgency about some of these deployments. Modernization should proceed. In this area, negotiations, arms control negotiations, are enormously important, and I continue to believe that one of our major objectives, if not our paramount objective, is to get rid of those other 154 SS-18s.

Senator EXON. One last question, Mr. Chairman.

You mentioned the SDI and I agree with you we should consider some research and development money in there. We put in the budget last year a considerable amount of money, $3.6 billion, if I remember my figures correctly. The recommendation for SDI in the President's budget is about $1 billion over what we proposed last year.

In my view, this is not a very tight budget as far as SDI is concerned. Could you, as one who has had experience in this area, justify that much of an increase in the strategic defense initiative budget?

Dr. SCHLESINGER. I suspect not. I do not know the details of the program that well, but I suspect not.

But let me respond to this question and the last question by making the observation that in putting together a budget, submitted to the Congress or submitted to the OMB or submitted by the services to the Office of the Secretary of Defense, I have noted from time to time that there is something called "cut insurance" included in the figure that is requested.

And I think that there may be some cut insurance in the request for strategic modernization.

Senator EXON. They assured us, Dr. Schlesinger, that that was not the case this year, that all of these figures were up-front figures and they did not expect to go through the bidding war that we have been through before. But I have my suspicions on that, as you have expressed.

Dr. SCHLESINGER. You are probably not alone in your skepticism, Senator Exon. But cut insurance is an inherent part of the process. I do not criticize them.

I also should take note that there is a very powerful political constituency that supports the SDI and wants to see near-term deployment. And sometimes budget recommendations are designed to please powerful political constituencies.

Chairman NUNN. You mean even in the Pentagon there are political considerations; is that right?

Dr. SCHLESINGER. There are political considerations if we involve more than one person.

Chairman NUNN. I am shocked at that revelation. I thought it was only on Capitol Hill.

Senator EXON. Are you telling or admitting to us that there was some fudge insurance in budgets that you submitted to the Congress of the United States?

Dr. **Schlesinger**. Sir, in those days the Congress was so cruel and so rapacious that cut insurance, much as I wanted it, was beyond my ability to bring into the budget. [Laughter.]

Senator **Exon**. Well stated.

Chairman **Nunn**. You had a little trouble in the executive branch, as I recall.

Dr. **Schlesinger**. I am wholly innocent in fact, but I may not have been innocent in intent, and I warn you about intent.

Senator **Exon**. Thank you, Dr. Schlesinger. Thank you, Mr. Chairman.

Chairman **Nunn**. Dr. Schlesinger, just a few more questions.

We have talked a good bit about German reunification. We had a panel of European experts here last week and one of the suggestions made to try to bridge this seemingly messy period we are in where arms control is out of sync with political reality and where German reunification on the ground is happening quicker than anyone in the governmental realm can control or even anticipate, and in a period where the Soviet Union has declared that they will not sit still for a reunification combined with a joining of NATO by the East Germans and the United States has declared that we would not settle for a neutral Germany.

So it seems that we are going to be in this messy period, and under those circumstances I have two questions. One, do you have any suggestions and, second, I would like for you to react to a suggestion made by Karl Kaiser of Germany, where he outlined a transition phase in the process of reunification in which the two Germanies would be confederated. I add to that he anticipated CFE I was behind us, but with the eastern half remaining in the Warsaw Pact with a reduced contingent of Soviet troops still deployed there and the western half still in NATO with allied troops from the United States, Great Britain—in other words, outside troops—pulled back from the forward areas and no Western troops in East Germany.

Essentially what he was saying was a reunified, confederated Germany, socially, politically, economically, but militarily continuing as a part of the Warsaw Pact but with foreign forces, Soviets and U.S. and British and French, back and the two German military forces joining in the center.

Would you react to that or give us any independent thoughts you may have?

He is not talking about a final solution here now. He is talking about an interim kind of positioning.

Dr. **Schlesinger**. I think that has a good deal of validity. It is a question of how you do this mating dance with some degree of dignity. If this provides that kind of dignity, that has great merit.

I think that we have to recognize that there are urges in democracies, that we are no longer dealing with governments that can ignore public opinion. When that East German election takes place in March, German politicians in the East will be under the same pressures as their counterparts in Czechoslovakia and Hungary to say to the Russians get out, irrespective of what the Russians are saying. That will complicate things because the Russians may not get out.

I mentioned earlier that one possible option for the Soviet Union is to decide, by God, we are getting out, that we cannot hold this line, and that they say they will be prepared to see a reunified Germany which will have great appeal in both East and West if it is neutralized. That is a very good spanner to throw into the works.

My recommendation now is that we think through how we would respond. What kind of plan does the United States have against this contingency or that contingency that may emerge in the wake of the East German election and this unfolding of events that we have continuously been surprised by?

If the Soviets were to make that proposal, how do we react? We damn well ought to have a plan to deal with that circumstance, and that plan might well be no, West Germany, we are prepared to see West Germany remain in NATO, we are prepared to accommodate you by seeing the permanent neutralization of East Germany as a buffer zone, it will have only German forces in it, perhaps German forces and a modest deployment of Soviet Union forces.

The point that I am making, though, is that we have to plan ahead in a rapidly changing world with regard to those circumstances that we are unlikely to like much; but just because we do not much like them does not mean that they will not take place.

Chairman **Nunn**. On the planning ahead side, is it not going to be increasingly difficult to maintain ground-based nuclear weapons in Germany, short range, when basically an awful lot of those weapons will not have a range that can extend beyond the borders of East Germany, let alone Poland?

Dr. **Schlesinger**. There is a problem down the line about sustaining our present deployment. I, myself, think that short range and battlefield weapons add to the array of options available to the NATO alliance that strengthen deterrence. I have been reluctant to see those weapons reduced or withdrawn or substantially reduced or substantially withdrawn, unlike some, not necessarily in this body but in the other body, the House of Representatives. It is going to be tougher and tougher to keep them there because democracy has its own way.

I think that the notion that we now have that we are going to be able to get the Bundestag to approve the upgrade of the Lance is probably smoking pot. We are not going to be able to deploy the upgraded Lance into Germany because I cannot see a democratically elected body approving that. Even if Chancellor Kohl and the CDU/CSU coalition wanted it, I do not see that the foreign minister, Mr. Genscher, will drag along the FDP in support. I think the German Government could fall.

Chairman **Nunn**. That is what I have heard from every single part of the German political spectrum.

Dr. **Schlesinger**. The upgrading is not going to take place.

Chairman **Nunn**. I take it you would be reluctant to spend that $120 or $130 million this year on the follow-on to Lance, then?

Dr. **Schlesinger**. I would be very cautious about spending it. There are other possibilities, however, than immediate deployment in Germany. For example, we have had Lances deployed in Korea. In the past the North Koreans, who are very close to Seoul, needed to have a little chilling on their ambitions to move suddenly toward Seoul, and Lance has its role potentially to play there.

We can store Lances here in case the situation in Europe were to radically change, but the strength for the argument is much weaker than it was a year ago. It was plain from the agreements in June that the Germans would be prepared to take another look was a way of softsoaping the United States.

Chairman NUNN. What is wrong with a longer range policy with regard to theater nuclear weapons and having increased capabilities in the air with the planes being staged in multiple countries in Europe rather than all in Germany? What is wrong with that as a longer range policy and with increased standoff capabilities?

Dr. SCHLESINGER. I think that that is well worth looking at. The problem in the past with regard to airborne capabilities is that in the period we are deeply concerned about, that we were committing so large a percentage of our air capabilities in Europe to nuclear attack. For that reason, the introduction of the Lance improved the quality of both the conventional and nuclear forces.

I think that in many cases this is a poor second, and it may be necessary to come to that poor second if indeed the Germans or others are unwilling to permit local capabilities, including the present Lance or the upgraded Lance to remain in their countries.

Chairman NUNN. An awful lot of their shorter range battlefield weapons were put there premised on conventional superiority of the Soviet Forces. If we do truly reach a parity level and if it is verifiable and if the forces are taken out of the force structure and we get the geographic problem arranged, an awful lot of the original purpose for having that number of nuclear weapons as opposed to some would be gone, would it not?

Dr. SCHLESINGER. Absolutely right, Senator. The motivation is much weaker under these changed circumstances.

My fear is, however, that if you withdraw the weapons you can never get them back.

Chairman NUNN. I agree with that.

Dr. SCHLESINGER. As a consequence, even though we may not need them today or tomorrow, there may be some future circumstance in which, as mentioned by Senator Thurmond, there might be possible improvements in Soviet military capabilities coming from technologies seized or acquired from the West. If that were to be the case in the military balance—that the correlation of forces instead of moving toward the advantage of the West were to be moved back toward the Soviet Union—we might again have need. If we withdraw them all, then that option is gone.

May I mention one other thing, Senator, with regard to some of our problems? I was thinking of this response to Senator Exon's question. At the present time our entire nuclear weapons production complex is threatened and will close as a practical matter in 2 months time. We have shut down Rocky Flats, which means that within a brief period of time the critical components necessary for the assembly of nuclear weapons will no longer be going to Pantex.

This impacts one program, the best of all the strategic modernization programs, and that is the D–5 missile. It is important to recognize that you do not need delivery systems if you have nothing to deliver. We are reaching a point that we have too few weapons for the submarines that have already been launched and, therefore, one must look very carefully at the balancing of the program.

Now I deeply regret to see Rocky Flats shut down and the prospective cessation of nuclear weapons production which would come sometime at the beginning of the spring, but that is a fact of life, and that is something that you must take into account, you and the members of the committee, as you make your allocations.

Chairman NUNN. We will certainly be paying some heed to that problem of nuclear weapons. All of us are struggling with it and continue to.

Let me close by asking you one final question. I would like to get you while you are here to give us whatever thoughts you might have on how you go about the economic assistance program vis-a-vis particular countries like Poland and Hungary. The second part of the question is what do you believe we should be doing vis-a-vis the Soviet Union?

I have divided my thinking vis-a-vis the Soviet Union into sort of red light what we should not be doing, green light what we should be doing, and perhaps a caution light, but whatever you would like to say on that subject, I would like to hear it.

Dr. SCHLESINGER. With respect to the Soviet Union, the Soviets are basically going to have to solve their own problems, economic problems, and they are not doing a very good job at the moment, and the prospects for them are quite bleak.

I think we should lean slightly in the direction of attempting to help Mr. Gorbachev, but we must recognize that our capabilities are quite limited and that the prospects of his being around forever are even more limited.

I think that as a consequence we should be prepared to move toward most favored nation status for the Soviet Union. That will require, I think, greater care in the surveillance of technologies that go East not only by the United States but by our European counterparts who have been less reliable than we have been.

I would be prepared to acknowledge the enormous changes that Mr. Gorbachev has brought by moving in that direction, understanding that the Soviet solutions will basically have to come from the Soviets. We cannot improve the standard of living of 300 million people in an economy that simply does not function in many respects.

In 1947 or 1948, the United States offered Marshall Plan assistance to Poland and Czechoslovakia. I believe that that was a valid offer. A lot of water has flowed over that dam, too, and Poland in particular, but Hungary to a lesser extent, have some deep-seated problems with their economies. Stalin rebuffed us then, much to the disadvantage of those countries. I think that we should be more generous than we have been inclined to be.

I, myself, Mr. Chairman, do not accept the limitations on American resources that we read about every day in the newspaper. This country is the leader of the Free world. If we want to provide assistance to countries that have emerged from Communist tyranny, we should be more forthcoming than we are inclined to be at the moment. We should not use our budgetary problems as an excuse.

The redemption of Eastern Europe from the fate that overcame them at the close of World War II is a high goal of American policy, and I would be far more generous.

Now in addition to that, the Hungarians are capable of adjusting to a much more open economy and, indeed, have made progress in that direction. The aid would certainly be effectively employed. The Poles are less clear-cut that they would make such use of the assistance, but we have an obligation, I think, at least to appear to be helpful. Both Poland and Hungary are sufficiently small that our help, unlike the case of the Soviet Union with a population approaching 300 million, could be significant.

Chairman NUNN. Thank you very much, Dr. Schlesinger. Do you have any closing comments? You have been here holding forth for 2 hours and 40 minutes and have enlightened us as usual. Do you have anything else you would like to say before we close out?

Dr. SCHLESINGER. I will say this with regard to the comment that was made by Senator McCain about base closures. I thank the good Lord that I do not have to deal with the problem of base closures. I know what will happen with regard to base closures. To mix a metaphor, everybody whose ox is being gored will squeal like a pig.

Chairman NUNN. No doubt. I had the dubious distinction of handling the last base closure package which was just last year. Senator McCain may have volunteered to handle this one this afternoon. I am not sure. [Laughter.]

Dr. SCHLESINGER. I think that a message to him is on the way. He will demur, I am sure.

I think it is also important not to allow the base closure issue, which is significant and we should proceed with it, to obscure the much more important changes that we must make in our overall position.

Thank you, Senator.

Chairman NUNN. I agree. Thank you very much.

The hearing is adjourned.

[Whereupon, at 4:42 p.m. the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

FRIDAY, FEBRUARY 2, 1990

U.S. Senate,
Committee on Armed Services,
Washington, DC.

IMPLICATIONS OF CHANGES IN THE SOVIET UNION AND EASTERN EUROPE FOR WESTERN SECURITY

The committee met, pursuant to notice, at 9:10 a.m., in room SH-216, Hart Senate Office Building, Central Hearing Room, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Bingaman, Gore, Thurmond, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; Andrew S. Effron, general counsel; Richard D. DeBobes, counsel; and Daniel G. Sakura, research assistant.

Professional staff members present: Robert E. Bayer, Robert G. Bell, Richard E. Combs, Jr., Richard D. Finn, Jr., John J. Hamre, William E. Hoehn, Jr., David S. Lyles, T. Kirk McConnell, Michael J. McCord, and William H. Smith.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Ronald P. Kelly, George W. Lauffer, John E. Mansfield, Durwood W. Ringo, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara L. Braucht, Lori M. Jackson, Claire M. Kelly, Cindy Pearson, Kelli J. Pronovost, and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terence M. Lynch, assistant to Senator Shelby; Melvin G. Dubee, assistant to Senator Byrd; Patrick F. McCartan, assistant to Senator Wilson; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order. The committee meets this morning to continue our hearings on the implications of the changes in the Soviet Union and Eastern Europe for our national security policy, our military strategy, and, of course, ultimately our defense budget.

Thus far the committee has received testimony from the intelligence community in both open and closed sessions concerning the changing nature of the threat, from U.S. experts outside the government concerning the nature of the threat and its impact on our force structure, from European and Japanese experts and from a delegation of the North Atlantic Assembly on allied perceptions of the changing threat, and from former Secretary of Defense Schlesinger on how the United States and our allies should respond to the changing threat. Yesterday the committee heard testimony from Secretary Cheney and the Chairman of the Joint Chiefs, General Powell, on the Department of Defense budget for fiscal year 1991, on the 5-year defense plan, and on the net assessment of U.S. and allied capabilities compared with those of our potential adversaries.

Our witnesses today are very well known to this committee. We are extremely pleased to have the last three chairmen of the Joint Chiefs of Staff with us today. Gen. David Jones served as Chairman from June 1978 until June 1982; Gen. John Vessey served as Chairman from June 1982 to September 1985; and Adm. William Crowe served as Chairman from October 1985 to September 1989. Our Nation is indeed fortunate to have these three outstanding Americans, and to have them continue to participate in many public service related endeavors like this hearing, to give us the benefit of their views on national security issues. Each one of them made a real difference in terms of our national defense both in war and in peace. We are indeed honored to have all of you here this morning.

Although the testimony thus far has differed as to the precise meaning of the changes in the Soviet Union and Eastern Europe, and the way the United States and its allies should respond to these changes, there has been a virtual unanimous opinion that the overall threat to the United States and its allies from the Soviet Union and the Warsaw Pact in Central Europe has decreased substantially. These changes have altered many of the basic assumptions on which our national security policy, our military strategy and our defense budgets have been based for the last 40 years.

During his State of the Union Address on Wednesday night, President Bush announced a change in the U.S. proposal for U.S. and Soviet forces in Europe to a ceiling of 225,000 with 195,000 each in Europe's central zone. Yesterday Secretary of Defense Cheney and JCS Chairman Powell advised us that the Defense Department has underway studies of the B-2, the Advanced Tactical Aircraft (ATA), the Advanced Tactical Fighter (ATF), and the C-17. They also are working on other efforts in connection with the next 6-year defense plan which may result in out-year changes that will impact on the fiscal year 1991 budget. Additionally, Secretary Cheney noted his personal opinion that the Soviets would be fundamentally out of Eastern Europe in 5 years. So, changes are going on while we deliberate on this budget. It was clear yesterday that there are a lot of blanks to be filled in on the budget, including a substantial revision of the 5-year defense plan.

They have identified about one-half of the cuts that they are now planning to make. Of course, they have identified the ones for this year's budget, but it is about $86 billion more in cuts that has to be taken out in the 5-year defense plan as it now exists in order to get down to Secretary Cheney and President Bush's level.

The President's announcement of a new United States negotiating proposal for the CFE talks, which I welcome, and the ongoing efforts in the Department of Defense reflect the difficulty that everyone is experiencing in attempting to understand the changes in the global security environment, and in attempting to size and structure our military forces to respond to these changes.

To assist the committee in meeting this task, we have asked today's witnesses to focus on the changing circumstances in the Soviet Union and in Eastern Europe; how NATO and the United States should respond to these changes; and what changes we should make in the deployment and capability of our own military forces.

Before we begin with any statements, let me just say that we have had testimony since the use of force in Panama that indicated that the people involved felt that the chain of command and the new changes under the Goldwater-Nichols bill were very positive. Everyone that we have talked to, that I have talked to, both informally and before our committee, has said that it worked very well, much better than it would have under the old system. Yesterday, both Secretary Cheney and General Powell strongly endorsed the changes in Goldwater-Nichols. I know that all of you having been involved in one way or the other would certainly be interested in that news.

Senator Thurmond, before I turn it over to the witnesses do you have any opening comments?

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I want to join you in welcoming this distinguished group of former Chairmen of the Joint Chiefs of Staff. I recall their wise counsel to this committee, when they were all on active duty. And I look forward to that counsel now that they no longer bear the heavy mantle of the chairmanship.

General Vessey, General Jones and Admiral Crowe, our Nation can celebrate the end of the cold war in large part because of your dedication and that of the millions of men and women who served with you. You all were there when the Iron Curtain fell, and you were an integral part in planning its demise. This morning we are fortunate to have your counsel on the course our Nation and its Armed Forces should chart as we face the prospect of reduced tensions.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Thurmond.

Let me just make one other comment. We have seen a lot of news in recent days, understandably about the level of manpower in Central Europe. I think it is very important for all of us to keep in focus what we are talking about here. The manpower part of the conventional negotiations is an important part, but in my view, not the most important part. It never has been, although we have tended to focus on that for 20 years under the mutual balance force reduction talks.

The most important part of those negotiations relates to the equipment. Particularly equipment in the Soviet and Warsaw Pact that can be used in an offensive operation. I think that all of us ought to keep our eye on the ball. There are some 38,000 tanks the Soviets are supposed to take out in this first go-around, and I keep getting questions, and they are understandable questions, about why should we be involved in negotiations. Why not just let nature take its course, since it is obvious the East Europeans want the Soviets out.

I think that is true. Also, one of the things that I do not think we have focused on nearly enough is, what happens to that equipment when it comes out, if it is not part of a negotiation that calls for destruction. Two dangers there. One danger is, it will be in the Soviet Union and can be used again. And a danger that has not been mentioned much is the danger that it may be sold in different parts of the world. If we end up with a situation where unilateral withdrawals outside the framework end up in the Warsaw Pact in the Soviet Union, and even the United States and some of our allies selling an awful lot of this equipment around the world, we may end up with more threats in the next 20 years than we had in Central Europe. At least we knew where they all were then.

I hope that we will all keep our minds on that part of the equation. I know we have focused on manpower, but again, I do not think that is the most important part of these talks. With that, I guess we will go by seniority here. I am not going to talk about age, but just seniority.

General Jones, we will start with you, then General Vessey, and then our youngest member here in seniority, Admiral Crowe.

STATEMENT OF GEN. DAVID C. JONES, USAF (RET), FORMER CHAIRMAN, JOINT CHIEFS OF STAFF

General JONES. Mr. Chairman, members of the committee, it is good to be back with you, and particularly with my friends and old colleagues. I applaud your stepping back and taking a look at what is happening in Eastern Europe and within the Soviet Union.

There is no question that the threat has decreased. In fact, there are some who think it has almost disappeared. Even some of the strongest supporters of defense are now talking in neo-isolationist terms—as the Soviet threat disappears, we need less involvement in the world, and go back to what we had before World War II. I think that would be a great mistake.

We have a need to be involved in the world for political, economic, demographic, social and military reasons. The Soviet threat is going to remain, even though it is going to be substantially reduced. And I think the changes are three types. One, the real changes that we have been seeing, 500,000 reduction of troops, the reduction in their defense budget, the Warsaw Pact becoming essentially a shell with the Eastern European nations being involved, but only in a very minor way.

The second change is, I believe, in what we have known about the Soviet Union. And here the warning issue is the best example, where we had estimated short warning, now the estimate is that even in the years past the warning time was substantially greater.

The third changes are yet to be recognized. That is in the perceptions of the threat of the years past. Particularly in the strategic area. I believe in the years ahead it will be recognized that a surprise attack against the United States was extremely unlikely.

If you take a rational potential enemy—and all the deterrents are based on that an enemy would be rational—there is no conceivable circumstance under which such a rational leader could determine that an attack on the United States would result in their ending up better off.

I see three roles for strategic forces. The least difficult is preventing an attack on this country. Even if a half or two-thirds of our force was destroyed, our responsive capability would be such that anybody would be insane to make the attack.

Many people believe that is enough. Those who support minimum assured destruction believe that is enough. I see two further roles for the strategic forces. One is a little bit nebulous, but that is the need for parity, so we do not feel inferior; we are not seen inferior; we are not subject to intimidation; that in arms control we have the leverage.

The third and most difficult is extended deterrence. Our basic strategy has been the need to have a very substantial conventional capability, with linkage to our tactical forces and strategic forces and with a credible threat of escalation.

As the conventional threat reduces in Europe, extended deterrence criticality comes down somewhat. I am not suggesting that we are at that point now, but what I am suggesting is, there is a linkage between what happens in the conventional area and in the strategic area. In the debate on resources, the strategic forces should not be inviolate in the competition for defense resources.

On the conventional forces, I applaud the initiative by President Bush. I hope we can come to some agreement in the near term. But I think there are two things more important than having an agreement on the reduction of forces. One is to keep NATO together. It could be a tragedy if somehow NATO would fragment. I would hope that some sort of condominium between NATO and the Warsaw Pact for discussions and meetings and exchanges and hotlines and everything else could be forthcoming, which I think would help in arms control.

The second thing is the instability in Eastern Europe and the Soviet Union. If we have reductions and yet we have second revolutions in Eastern Europe, and we have the Soviet Union coming apart, that will be a very difficult situation. And the reunification of Germany. Yesterday I had breakfast with two members of the parliament of the Federal Republic of Germany. The discussion centered on the great problems of reunification—cultural, economic, military. They signal to go slow. But on the other hand, the migration is causing problems now in West Germany and East Germany which pressures leaders to move quickly.

I pose a question on the issue of American troops in Europe and the Soviet troops. Can we have reunification with American troops in West Germany and Soviet troops in East Germany? Can you have reunification with American troops in West Germany and no Soviets in East Germany, and essentially, East Germany almost becomes a part of NATO at that time, under what conditions? Is reunification contingent upon the withdrawal of forces of both superpowers from Germany? I do not know the answers to all these questions, but I think it is important that they be addressed.

As we look ahead and the likelihood that the trends will continue, we will have many other challenges. In the past, we said if we can cope with the Soviets, we can do anything else. In a lot of cases, we have not done very well in other areas, because of the lack of attention. I think we will have a different military in the days ahead. We will have to be smarter, we will have to react quicker, we will have to be more effective in what we do. There will be a higher political content in the use of military as we have seen in Panama.

I implore everyone to maintain readiness of the active forces. I would much rather see the active forces smaller and ready, and have larger reserves, than to have a hollow Army, Navy, Air Force, and Marines in the days ahead. And finally we have never done well in rapid builddown in the past. I do not think it is the time for rapid builddown, and if we are going to err, let us err on the side of caution for the next couple of years, rather than make a mistake of going too fast, and then regret it and bring on other problems.

Thank you, Mr. Chairman, for your time, and I look forward to the questions.

Chairman NUNN. Thank you, General Jones. General Vessey.

STATEMENT OF GEN. JOHN W. VESSEY, JR., USA (RET), FORMER CHAIRMAN, JOINT CHIEFS OF STAFF

General Vessey: Thank you, Mr. Chairman and members of the committee for the opportunity to appear before the committee in this very important and timely review which you have undertaken. I applaud the committee's undertaking, as did General Jones. I know you have had a lot of hearings, but I am sad to report that those hearings have not been widely reported in north-central Minnesota. As a consequence, I am likely to repeat something that has already been said.

The strategic situation in the world today is certainly at a watershed. The Warsaw Pact as we knew it, a tightly knit, centrally-directed tool, actually a creation of the Soviet Union, seems to have disappeared before our eyes in recent months, and the probability of Warsaw Pact attack on NATO has plummeted. Many of us, certainly the three sitting at this table and others in the room here, including Senator Thurmond, have spent our entire adult lives bound up with the tensions of the past 50 years, first in fighting the Nazis and the Japanese, those earlier autocratic regimes, and then in the long period of deterring war with the Soviet Union.

That effort was interspersed with fighting a few smaller wars that were the outgrowth of the clash between the Soviets and the Western democracies. The events in Eastern Europe are certainly a cause for elation and cautious optimism, but certainly some satisfaction for us in the West.

Mr. Gorbachev has been given much of the credit for the events of recent months, and I certainly would not want to deprive him of his due or belittle his efforts. On the other hand, I am more than a little disappointed by the number of people who have given him most or all of the credit, and by those who would name him "Man of the Decade." I think the "person of the decade," indeed the "person of the second half of the 20th century," has to be the citizen/taxpayer of the Western democratic allied nations. Those are the people who stood fast and supported strong defense when it would have been easier to do otherwise.

They are the people who prevented World War III for the past 45 years; the people who led the world through the first half-century of the nuclear age without a nuclear war; the people who protected freedom in the West and supported preservation of peace in a fashion that promoted the growth of democracy and free enterprise in a fashion that has now even reached the Soviet Union.

The leaders of the allied nations have the opportunity and the responsibility to extend the conditions for peace and security into the next century. By "allies" I mean not only our NATO partners but our friends in the rest of the world, and particularly our East Asian security partners such as Japan, the Republic of Korea, Thailand and the other nations in that region with whom we have had close security ties. The allies will certainly expect the United States to be the leader. Our President and you, the Congress, working with him, have the responsibility to lead our Nation and the allies in a fashion that avoids the mistakes we made after World War I, after World War II and after the war in Southeast Asia.

In 1919, my dad came home from France with his Rainbow Division Regiment believing that they had fought and won the "war to end all wars." He left a Europe with a lot of similarities to the Europe emerging from the cold war, a Europe with a lot of new, inexperienced democracies laden with political and economic problems. We demobilized our forces quickly. In 1942, less than 24 years later, in a world where most of Europe and nearly all of East Asia were under two despotic regimes, my comrades and I went to war in North Africa to fight at great disadvantage because we were armed just about as my dad was armed when he left France in 1919. Our forces in the Philippines had already been defeated for much the same reason.

Three years later, after winning World War II, we demobilized the huge modern force we had built to secure the freedom the world had lost. In a scant 5 years we were sending forces to fight in Korea, and our forces were less well armed, and less well trained than those of North Korea, an illegitimate progeny of the Soviet Union with a population of only about 15 million. I need not recite for this committee the very poor condition we permitted our armed forces to reach in the late 1970s after the Vietnam war.

I do not want to be accused of a "post hoc, ergo propter hoc" fallacy by arguing that all the world's troubles were caused by too hasty a reduction in U.S. forces after earlier wars. It does seem self-evident that a lack of adequate attention to our defenses severely limited our opportunities to influence events, and that it surely contributed to the high cost we had to pay later, including the cost in our citizens' blood and lost freedoms for many people for years at a time. However we adjust to the changes in the world situation, we should not make those same mistakes again. We have good, strong defenses and good forces today. Our military and political leaders have the difficult task of adapting these strengths to the very changed situation and the uncertainties we face in the world ahead.

I believe it would be a mistake for those of us who are no longer in positions of authority to give you precise prescriptions for shaping the Nation's defenses for the years ahead, but I believe we can give you a few principles and some particular cautions to help guide the Nation.

The basic ingredients of our strategy have been strong alliances, our nuclear deterrent forces, deployed forces and a strong central reserve of active forces and reserve component forces. We have used good intelligence, mobility and command and control to make those ingredients effective. In the future, I believe the same ingredients will continue to be important, but the quantity and emphasis on each of those ingredients will shift, probably markedly.

The reduction in the Soviet Warsaw Pact threat clearly permits reduction of our own forces, including reductions in the deployed forces facing the Warsaw Pact. The reduction should be made in close coordination with our allies. I believe, as General Jones does, that the preservation of our alliances is very important to guiding the world through the uncertain and potentially unstable future that lies ahead. As we reduce our deployed forces, we need to pay attention to the particular security situation in each region, I call your attention to Korea, where we as yet see no evidence that Kim Il Sung has gotten word that the Communist world is crumbling.

I know you will hear all sorts of words about the Korean economic miracle and how the Koreans can do more for their own defense. All that is true, but I remind you that the Korean forces alone cannot provide the stabilizing ingredient that U.S. forces provide, and despite the economic miracle, the per capita GNP of the Republic of Korea is still near the poverty level in the United States. We can surely afford our modest investment in stability and war prevention until Mr. Kim or his people arrive at the same conclusion that their East European counterparts reached.

We will continue to need to keep the probability of war, both conventional and nuclear war with the Soviet Union, very low. Arms control can help, but our own forces and those of our allies will continue to be the principal deterrent. A few months ago, I thought that the principal goal of our conventional arms control effort should be to increase the warning time for us and our allies. I continue to want to see us do that, and I agree with the points that you made. It is not just people, it is the equipment they have, how it is used, where it is and whether it is destroyed or not.

However, the events of the recent months have made conventional arms control really less important to the security of NATO, and now we need to be cautious to make sure that we do not let our arms control efforts legitimize the illegitimate presence of the Soviet forces in Eastern European countries.

The deterrence of nuclear attack, and nuclear attack not just by the Soviets but by anyone, must continue to be a high priority U.S. defense objective. The Soviets apparently are continuing the modernization of the nuclear force. The number of nations with nuclear weapons, or the capability to build nuclear weapons, continues to grow. We should continue to pursue nuclear arms reduction with the Soviet Union and nonproliferation agreements with the rest of the world. Certainly a 50 percent reduction can be done sensibly, but we should plan to maintain a strong, modern, safe, secure, flexible nuclear force in the foreseeable future. The triad continues to make sense, in my belief.

We should continue our work on strategic defense. The Secretary of Defense and the Joint Chiefs will have to work closely with the President and the Congress to ensure that the force structure and the modernization plans are closely integrated with arms control negotiations to provide for our future security. An acceptable path for the immediate future can be found, I think, without much difficulty, as General Jones indicated, but now is the time to start examining the roles for nuclear weapons in the security equations for the more distant years. We will not wish away nuclear weapons. They will not disappear from the Earth.

The structure of the deployed forces will need to be worked out with our allies. I believe that the American contribution to alliance defense ought to, for the most part, be a unique American contribution. That is, something that complements the capability of the allies. However, I raise the caution flag to some of the suggestions that I have heard. That is, that our contribution should be all logistic and combat service support with the allies providing the fighting forces. We will surely increase the probability of having to fight, if we build a force that cannot fight.

Devising the best structure for our central reserve force will require the most thought and probably the greatest change in the structure of our defenses. The active force part of the central reserve will have two main missions. One will be the quick reinforcement for the deployed forces and alliance commitments we have today, however they are adjusted. The other and far more difficult, will be prepared for those unforeseeable contingencies that we know will arise in this ever changing world of ours. Flexibility, mobility and a high state of readiness and training will be important to both missions. We will have to remember that it will be increasingly difficult to convince ourselves to maintain both the forces and their readiness as the Soviet Warsaw Pact threat wanes and the unforeseeable remains unforeseeable.

The Active forces of the central reserve will need to be light and transportable. That is considerably different from what they are today. At the same time, they have to be able to be capable of engaging and defeating forces equipped with modern armor and modern aircraft. The sort of myth that light forces will go off and attack primitively armed people ought to be shattered. The spread of high technology and the export of arms have permitted many, many nations to field modern armed forces.

The Reserve component of the central reserves will become even more important to our national security than it is now. I say that with the knowledge that the members of this committee are well aware of the increased emphasis placed on Reserve components since 1973, and the substantial improvements we have made in our Reserve components. As warning time increases from changes in the Soviet Warsaw Pact threat combined with perhaps good arms control measures, we can move more and more of the deterrence of a European war to the Reserve components. It is a move that we should prepare to start very soon. More reliance on Reserve components for our security is far more difficult to do sensibly than it is simply to assert.

One of the truly great challenges facing us in the years ahead will be to provide for the best use of our wonderful citizen soldiers, sailors, airmen and marines. An early order of business should be a reexamination of the interface between the Active force and the Reserve components. There is insufficient flexibility in that interface to meet the security needs of the Nation for the years ahead, in my view.

All services will be challenged to meet this, but the challenge will be the greatest for the Navy. I am convinced that if we are to maintain an adequate balance of land, sea, air and amphibious forces, we are going to have to find more imaginative ways of using Reserves to extend the size of the Navy. I know that the Navy has worked very hard to examine this issue, but we have not yet found the key.

I would far rather see a nation have an adequate Navy—and I believe we need a large Navy—with some of the ships in a lower state of readiness because of Reserve manning than see the Nation with an inadequate but ready, mostly all active Navy, or see the Nation with an adequate active Navy at the expense of the right balance of land and air forces. There are many other challenges involved in increased reliance on Reserve components, and I know you will want to explore these issues carefully with the JCS and the Reserve component leadership.

Closely connected with the problem of structure and use of Reserve components are the very real and imminent problems in large reductions in an All-Volunteer Force. Some may be inclined to just simply take the old-fashioned industrial approach and pass out pink slips. However, we have hundreds of millions of dollars, and perhaps even billions, invested in the training and skills of the people that we will release, and if the President's suggestion is accepted we will probably be releasing them fairly early. We should be asking ourselves about the possible uses of these people to increase the capabilities of those Reserve components upon which we will necessarily put more emphasis.

I have lived through a number of large force reductions, and the best ordered of all of them was chaotic. We need to remember that God will not give us time out in facing the dangers in an uncertain world. Now is not the time for the U.S. Armed Forces to be in a chaotic state. The immediate cost of an orderly reduction in our Armed Forces will be somewhat greater in the near time period, but the long-term benefits will surely save us money and perhaps even save us more than money. We need also to remember that large reductions in an All-Volunteer Force is far different from demobilizing a force composed of 50 to 75 percent of people serving under compulsory military service. The health of the future volunteer force will certainly be affected by the way we treat our people now.

I would say a few words on equipment and equipment modernization. As our forces become substantially smaller, it will be increasingly important that they be effective, and that means, among other things, having modern equipment. Fortunately, we have recently modernized most of our forces. Some of that modernization is not yet complete, and that will need to be pursued. There are a few vulnerabilities in the forces that must be corrected, and there are certain areas that we will want to ensure that we are always well ahead of the rest of the world. We will always want to keep our anti-submarine force, and as a part of it our submarine force, the absolute best. We want our Air Force and naval aviation to have the combination of aircraft, armament and skilled aviators to be able to control the air when and where we need to do it. We want our Army and Marine ground forces to be able to deal with modern armored forces and have the anti-aircraft self-protection to prevent enemy air from interfering with their operations.

For other sorts of equipment, we may want to consider skipping one generation in our usual evolutionary development. We could extend the life of some of our present modern platforms with improved fire control, target acquisition and terminal ballistics for the weapons when they need it. Then we could concentrate on research and development, in this time of relative safety, on developments in areas which would give us bounding leaps to adapt our forces better to the world of the future.

Once again, I urge this committee to use its great influence with the Congress in trying to prevent a repetition of the mistakes of the past. I keep hearing questions about the peace dividend. We have been collecting the peace dividend every day we have not had a war. I would much rather have my children and grandchildren and all the other children continue to be paid in that sort of a dividend than get back a few bucks in the short run and then have to fight a war later.

Thank you very much for your patience, Mr. Chairman.

[The statement of General Vessey follows:]

OPENING STATEMENT BY GEN. JOHN W. VESSEY

Mr. Chairman, members of the committee:

Thanks for the invitation to appear before the committee during your very important and timely review of the dramatic changes in the Soviet Union and Eastern Europe and your consideration of the effect of those changes on our national security policy. I applaud the committee for the undertaking. I know that you have had some hearings, but I tell you, regrettably, that the hearings were not reported in north-central Minnesota. As a consequence, I may well repeat things that have already been said and with which I could simply concur. For that I apologize.

The strategic situation in the world certainly appears to be at a watershed. The Warsaw Pact as we knew it, a tightly knit, centrally directed tool of the Soviet Union appears to have dissolved before our eyes in recent months. The probability of a Warsaw Pact attack on NATO has plummeted. Many of us have had our entire adult lives bound up in the tensions of the past 50 years, first in the battles with the Nazi and Japanese autocratic regimes and then in the long period of deterring war with the Soviet Union. That effort was interspersed with fighting a few "smaller" wars that were the outgrowth of the clash between the Soviets and the Western democracies. The events in Eastern Europe are a cause for elation, cautious optimism and certain sense of satisfaction. Mr. Gorbachev has been given much credit for the events of recent months, and I would certainly not want to deprive him of his due or belittle his efforts. On the other hand, I am very disappointed by the number of people who give him most or all the credit, and by those who would name him "man of the decade." The "person of the decade," indeed, the "person of the second half of the 20th century" has to be the citizen/taxpayer of the Western Democratic Allied Nations. Those are the people who stood fast and supported strong defenses when it would have been easier to do otherwise. They are the people who prevented World War III for the past 45 years, the people who led the world through nearly the first half century of the nuclear age without a nuclear war, the people who protected freedom in the West and supported preservation of peace in a fashion which promoted the growth of democracy and free enterprise in a fashion that has now reached even inside the former Soviet empire.

The leaders of the Allied nations have the opportunity and the responsibility to extend the conditions for peace and security into the next century. And by allies I mean not only our NATO partners, but our friends in the rest of the world, particularly our East Asian security partners, such as Japan, the Republic of Korea, Thailand, and the other nations of that region with whom we have had close security ties. The allies will expect the United States to be the leader. Our President, and you, the Congress working with him, have the responsibility to lead our own Nation and the allies in a fashion that avoids the mistakes we made after World War I, after World War II, and after the war in Southeast Asia.

In 1919, my Dad came home from France with his Rainbow Division Regiment believing that they had fought and won the "war to end all wars." He left a Europe with a lot of similarities to the Europe emerging from the cold war, a Europe with a lot of new inexperienced democracies laden with political and economic problems. We demobilized our forces quickly. In 1942, less than 24 years later, in a world where most of Europe and nearly all of East Asia were under two despotic regimes, my comrades and I went to war in North Africa to fight at great disadvantage because we were armed about as my father's unit was when it left France. Our forces in the Philippines had already been defeated for much the same reason. Three years later after winning World War II, we demobilized the huge, modern force we'd built to secure the freedom the world had lost. In a scant 5 years we were sending forces to fight in Korea, and our forces were less well armed and less well trained than those of North Korea, an illegitimate prodigy of the Soviet Union with a population of only about 15 million people. I needn't recite for this committee the sorry condition we permitted our Armed Forces to reach in the late seventies after the Vietnam War.

I do not want to be accused of a "post hoc, ergo propter hoc" fallacy by arguing that all the world's troubles were caused by too hasty a reduction in U.S. forces after earlier wars. It does seem self-evident that lack of adequate attention to our defenses severely limited our opportunities to influence events, and that it surely contributed to the high costs we had to pay later, including the costs in our citizens' blood and lost freedoms for many people for years at a time. However we adjust to the changes in the world situation, we should not make those same mistakes again! We have strong defenses and good forces today. Our military and political leaders have the difficult task of adapting those strengths to the changed situation and the uncertainties we face in the world ahead.

I believe it would be a mistake for those of us who are no longer in positions of authority to give you precise prescription for shaping the Nation's defenses for the years ahead, but I do believe we can give you a few principles and some particular cautions to help guide the Nation as we move into this new era.

The basic ingredients of our strategy have been strong alliances, our nuclear deterrent force, deployed forces, and a strong central reserve of Active forces and Reserve component forces. We've used good intelligence, mobility, and command and control to make the ingredients effective. In the future the same ingredients will continue to be important, but the quantity and emphasis on each ingredient will need to be altered.

The reduction in the Soviet-Warsaw Pact threat clearly permits reduction in our own forces, including reductions in the deployed forces facing the Warsaw Pact. The reductions should be made in close coordination with our allies. I believe that preservation of our alliances is very important to guiding the world through the uncertain and potentially unstable future that lies ahead. As we reduce our deployed forces we need to pay attention to the particular security situation in each region. I call your attention to Korea where we as yet see no evidence that Kim Il Sung has gotten the word that the Communist world is crumbling. I know you will hear all sorts of words about the Korean economic miracle and how the Koreans can do more for their own defense. All that is true, but I remind you that Korean forces alone cannot provide the stabilizing ingredient that U.S. forces provide, and that despite the economic miracle, the per capita GNP of the Republic of Korea is still near that of the poverty level in the United States. We can surely afford our modest investment in stability and war prevention until Mr. Kim or his people arrive at the same conclusion their East European counterparts reached.

We will continue to need to keep the probability of war, both conventional and nuclear war, with the Soviet Union low. Arms control can help, but our own forces and those of our allies will continue to be the principal deterrent. A few months ago, I thought the principal goal of our conventional arms control efforts should be to increase the warning time for us and our allies. I continue to want to increase the warning time to permit reduction in Active forces and move much more of the burden of deterring a European war to Reserve forces. However the events of recent months have made conventional arms control less important to the security of NATO, and we now need to be cautious about letting our arms control efforts lend legitimacy to an otherwise illegitimate Soviet presence in the Eastern European countries.

The deterrence of nuclear attack, by anyone, must continue to be a high priority U.S. defense objective. The Soviets apparently are continuing the modernization of their nuclear force. The number of nations with nuclear weapons or the capability to build nuclear weapons grows. We should continue to pursue nuclear arms reduction with the Soviet Union and nonproliferation with the rest of the world. Fifty percent reductions can probably be done sensibly, but we should plan to maintain a modern, strong, safe, secure, flexible nuclear force for the foreseeable future. The triad continues to make sense. We should continue our work on strategic defense. The SecDef and Joint Chiefs will have to work closely with the President and the Congress to ensure that the force structure and modernization plans are closely integrated with arms control negotiations to provide for our future security. An acceptable path for the immediate future can surely be found without much difficulty, but now is the time to start examining the roles for nuclear weapons in the security equations for the more distant years.

The structure of the deployed forces will need to be worked out with our allies. I believe that the American contributions to alliance defenses ought to, for the most part, be unique American contributions complementing those of allies. However, I raise a caution flag at the suggestion that our contribution be all logistic and combat service support with the allies to provide the fighting forces. We will surely increase the probability of having to fight, if we build and deploy a force that can't fight.

Devising the best structure for our central reserve force will require the most thought and probably the greatest change. The Active force part of the central reserve will have two main missions. One being the quick reinforcement for deployed forces and alliance commitments. The other and more difficult, being prepared for those unforeseeable contingencies we know will arise in this changing world of ours. Flexibility, mobility and a high state of training and readiness will be important to both missions. We must remember that it will be increasingly difficult to convince ourselves to maintain both the forces and their readiness as the Soviet/Warsaw Pact threat wanes and the unforeseeable remains unforeseeable.

The Active forces of the central reserve will need to be light and transportable. At the same time, they must be capable of engaging and defeating forces equipped with modern armor and aircraft. The spread of high technology and exports of arms have permitted many, many nations to field modern armed forces.

The Reserve component part of the central reserve force will become even more important to our national security than it is now. I say that with the knowledge that the members of this committee are well aware of the increased emphasis we've placed on Reserve components since 1973 and of the substantial improvements made in the Reserve components. As warning time increases from changes in the Soviet/Warsaw Pact threat combined perhaps with good arms control measures, we can move more and more of the deterrence of a European war to the Reserve components. It is a move that we should prepare to start soon.

More reliance on Reserve components for our security is far more difficult to do sensibly than it is to assert. One of the truly great challenges facing us in the years ahead will be to provide for the best use of our wonderful citizen, soldier, sailors, airmen, and marines. An early order of business should be a reexamination of the interface between the Active force and the Reserve components. There is insufficient flexibility in that interface to meet the security needs of the Nation for the years ahead. All services will be challenged, but the challenge will be greatest for the Navy. I am convinced that if we are to maintain an adequate balance of land, sea, air and amphibious forces we are going to have to find more imaginative ways of using Reserves to extend the size of the Navy. I know that the Navy has worked hard to examine the issue, but we've not yet found the key. I would far rather see the Nation have an adequate Navy with some of the ships in a lower state of readiness because of Reserve manning than see the Nation with an inadequate but ready mostly all Active Navy or see the Nation with an adequate Active Navy at the expense of the right balance of land and air forces. There are many other challenges involved in increased reliance on Reserve components; I know you'll want to explore those issues carefully with the JCS and the Reserve component leadership.

Closely connected with the problem of structure and use of the Reserve components are the very real and imminent problems in large reductions in an All-Volunteer Force. Some may be inclined to take the old-fashioned industrial approach and simply pass out pink slips. However, we have hundreds of millions of dollars, perhaps billions, invested in the training and skills of those people who'll be released. We should be asking ourselves about the possible uses of these people to increase capabilities of those Reserve components which will necessarily become more important to us. I've lived through a number of large force reductions, and the best ordered of all of them was chaotic! We need to remember that God will not give us a "time-out" in facing the dangers in an uncertain world. Now is not the time for the U.S. Armed Forces to be in a chaotic state. The immediate cost of an orderly reduction in our Armed Forces will be somewhat greater, but the long term benefits will surely save money and perhaps more than money. We need also remember that large reductions in an All-Volunteer Force is far different from demobilizing a force composed of 50-75 percent of people serving under compulsory military service. The health of the future volunteer force will certainly be affected by the way we treat our people now.

A few words on equipment and equipment modernization. As our forces become substantially smaller, it will be increasingly important that they be effective. That means among other things having modern equipment. Fortunately, we have recently modernized most of our forces. Some of that modernization is not yet complete and will need to be pursued. There are a few vulnerabilities that must be corrected, and there are certain areas that we will want to ensure we are always well ahead of the rest of the world. We will always want to keep our anti-submarine force and, as a part of it, our submarine force the absolute best. We want our air force and naval aviation to have the combination of aircraft, armament, and skilled aviators to be able to control the air when and where we may need to do it. And we want our Army and Marine ground forces to be able to deal with modern armored forces and have the anti-aircraft self-protection to prevent enemy air from interfering with our operation.

For other sorts of equipment, we may want to consider skipping one generation in our usual evolutionary development. We could extend the life of present modern platforms with improved fire control, target acquisition, and terminal ballistics for the weapons. Then, we could concentrate research and development efforts in areas which could enable us to make "bounding leaps" and adapt our forces better to the world of the future.

Once again, I urge this committee to use its great influence with the Congress in trying to prevent a repetition of the mistakes of the past. I keep hearing questions about the "peace dividend." We have been collecting the peace dividend every day we have not been at war. I'd much rather have my children and grandchildren—and all the other children continue to be paid that sort of dividend than get back a few dollars in the short run.

Thanks for your patience. Ill try to answer your questions.

Chairman Nunn. Thank you very much, General Vessey. Admiral Crowe.

STATEMENT OF ADM. J. WILLIAM CROWE, JR., USN (RET), FORMER CHAIRMAN, JOINT CHIEFS OF STAFF

Admiral Crowe. Thank you, Mr. Chairman.

It is a pleasure for me to reappear here. The subject you are addressing, of course, is an extremely significant one, and it comes at a time that may very well be a watershed in the shaping of our security policy.

Mr. Chairman, I do not have a prepared statement, but with your permission, I will make some observations primarily directed to Europe, because I believe that is where the focus of the hearing will generally be.

If I could say as an aside, I would like to reinforce your remarks on the Goldwater-Nichols legislation, particularly on the chain of command and field operations. I think it has been more than a modest improvement. We have seen the effects in Panama, as well as in the Persian Gulf operations, and I think we can be pleased with what you did in that regard.

Chairman **Nunn**. Well, you had a big, big role in implementing it at a crucial time. You played a big role. I must say that Gen. Dave Jones had a big, big role in stimulating it. General Vessey was there when the debate was going on trying to hold the fort together. All of you have played a big role.

Admiral **Crowe**. I think you will find a very consistent thread in my remarks with my colleagues. You will find great agreement, I believe, among us on practically every one of these issues. As I look back at our security policy in the post-war era, the preeminent lesson that I would draw is that the American people derive a large return on their security investment, not only in war, but in peacetime as well, in fact, every day of the year.

George Schultz was prone to say that our military provides the umbrella underneath which our diplomatic cards are played, and I think we have certainly had ample evidence, that that is true. I refer to our 40 year contributions in NATO, the success of our security shield in the Far East, as well as operations of the last few months, such as Grenada, Libya, the Persian Gulf and of course Panama. I would argue vigorously that an important element in Moscow's remarkable turnabout has been our global strength, and our determination not to be intimidated over the post-war years.

It is true, of course—and General Vessey referred to this a little more eloquently than I am—but it is true, our post war security policy has been expensive and at times burdensome. The payoff, which we are now seeing, has been extremely high. Our world is still free and prospering. Millions of people still turn to the West for hope, and we have seen this graphically illustrated in Europe. Pluralism, not communism, is still the wave of the future. In fact, I would say it is the only wave of the future. Communism in a sense is dead.

In the face of such evidence, no one can persuade me that our security investment over the last four decades has been misplaced. We have a premiere fighting force today, but the problem we are confronting now is not today, it is tomorrow. Unfortunately the world refuses to stand still. In a very real sense the future "ain't what it used to be." We are in a period of nothing less than a very uncertain strategic transition. I think that of course the most important factor in this political-military climate is the Soviet Union. I would make a few remarks on how I come down on events in the Soviet Union.

I think we should applaud Mr. Gorbachev's efforts and wish him well. From my own observations and my own contacts with Soviets, I believe that he and his key supporters have a vision, that they are sincerely committed to, and that they are trying to wreak fundamental change in their society, particularly to ease its transition into the next century. In essence, Mr. Gorbachev has a lot of guts, and I hope he does not slip on them. On the other hand, announcing and accomplishing change are proving to be two different things. He would be the first to admit that, in fact, he said that to me personally. I returned from my June visit to the U.S.S.R. convinced that the Kremlin's leadership originally underestimated the scope of their task, and the problems they would face, and the time—above all—the time it will take to implement such far reaching reforms. Severely complicating their efforts are the lack of entrepreneurial spirit in the population, the dearth of good managers, which Marshal Akhromeyev talked to me about at great length, an overly centralized planning system, and an impressive array of ethnic problems. We have certainly seen the depth of these ethnic problems in the central Asia districts of the Soviet Union just in the last few weeks.

All of these present Mr. Gorbachev with a terrifying challenge. It is not clear that he is going to resolve these problems, or if so, in what time frame he will do so. At the same time, I would suggest that we, the American people, must understand that Gorbachev's main problems are economic and domestic. There is little that we can do to make the average Russian forget the last 70 years of his history, and all of a sudden become wise in the ways of free market economics. They must do those things themselves.

Of course, if we can develop initiatives that are mutually beneficial to both countries. we must certainly pursue those with vigor. I have in mind enhancing the super power dialogue, erasing misunderstandings, where possible, and negotiating equitable arms cuts both in nuclear and conventional weapons. All of these things the U.S. Government is doing, and I trust we will continue to do. In fact, I have confidence we will.

I also believe that the military should continue to play a role in those endeavors. Unquestionably—and my two colleagues have both referred to this—unquestionably the character of the military threat in Western Europe has changed and lessened. It has not disappeared however. In fact, in one particularly important area—the Soviet strategic nuclear missile order of battle—it has grown, not receded, and modernization is proceeding a pace. At this juncture, I would argue vigorously that we should move deliberately and thoughtfully; while instability looms in Eastern Europe, we should ensure that premature moves in Washington do not at the same time jeopardize the West's unity or stability.

We must have a common face, as we confront the East during this period. To do otherwise would be disastrous. In essence what I am saying is, accommodating a reduced threat is in order. I believe that the administration is doing just that now, but accommodating that threat hastily or in a Pavlovian fashion is not in order. And I believe that is what General Vessey was likewise saying. Also, I think the events in the satellite nations reinforce this conclusion. I believe that we are in for a long period of turmoil, confusion and perhaps even frustration in Eastern Europe. As those nations work out a new destiny for themselves, a lot of thought has been put into tearing down, but very little into building up. Make no mistake, we do not as yet know what the final replacement regimes in those countries will look like, or what the transitional path to that state will look like. In my view, it will be a tough and trying period, one that we want, one that we applaud, but still the misery is not over.

It is not the thought of drawing down that bothers me, and I think that is clear in my previous remarks, as much as the "land rush" mentality I see developing in some quarters. As both my colleagues have suggested, building down is harder than building up. There are two ways to do it: smart or dumb. Our history suggests that we usually do not draw down wisely. In this regard, no matter how encouraging some of the signs in Europe, I do not believe that Americans want no defense or a weak defense. They will still expect the President to field an effective strategic deterrent, to be able to control regional crises, to support our foreign policy when necessary, and if things were to take a sharp turn for the worst, to be able to reverse the downward trend quickly. That inspired, I believe, General Vessey's stress on reserve policy and mobilization.

In time of retrenchment, we have an American tendency to turn the railroad over to the comptrollers. I believe that would be a big mistake. We still need military forces tailored to protect our interests in an uncertain world. Therefore, strategic considerations should still play a strong part in deciding how we will reshape our forces. In other words, I would contend that we should first lay out a conceptual or a strategic rationale, which will guide cuts. Only then will we get the most for our money, and then end up with a military force relevant to the new circumstances.

Chairman **Nunn**. Admiral Crowe, if I could interrupt. Could I ask one question on that point. I agree with you completely. I think there has to be a concept behind the cuts.

When you get into the word strategic rationale, another synonym of that might be strategy, everyone has a different definition of strategy. Mine gets down to a more detailed level than simply nuclear deterrence, cooperating with the allies, worldwide role, all of those things which I think you could stipulate are going to continue.

What do you mean by "we need a strategic rationale?" What level are you getting down to when you say that?

Admiral **Crowe**. Well, I would like to see a strategic concept which bites some of the bullets, Mr. Chairman. I am well aware that to say that is a lot easier than to do it, and particularly in a system where our country has lots of political sensitivities to deal with simultaneously et cetera, and to say that we should delineate our missions in great detail and decide where we are going to put our emphasis and not put our emphasis is very easy for someone like myself with no responsibility. For the President, who has a great deal of history of supporting friends around the world, and obligations as the leader of the free world, it is more difficult. But in some fashion I still believe that to guide these cuts we have to have at least a modicum of specificity.

I think General Vessey put his finger on one very, very important one, and that is how we are going to shape reserve policy, and that there will be new emphasis on reserve policy, and that we are now not looking to a deterrent strategy, but more to a mobilization strategy. I would like to see that acknowledged and that we use that philosophy to guide some of our cuts, some of our drawdowns, and our investment policy within that context. Again, that is easy to say, but of course if you are proposing an advocate of a specific weapon system, and so forth, you may not like to see that done, and you will resist that.

Chairman **Nunn**. Without getting into too much detail, reserve policy and the relationship between active and reserves is one factor. Are there other factors on that very point that we need to list here? What other factors come into strategic rationale in your mind?

Admiral CROWE. Our commitment that we have in Western Europe and how we are going to shape that mission needs some fleshing out. I think the way it will probably be shaped is by what we do in our budgetary policy instead of laying out a concept ahead of time. That has been the way we historically do it, and that is not all bad. I mean that keeps down the political static while we do it. However, it makes it very difficult for the professional planners and for the career people who are in this business all the time. As I say, that requires biting bullets.

Chairman NUNN. If you were in charge of the Joint Chiefs right now, what would you dictate to the Joint Staff, the four or five things they should be working on? Obviously, reserve policy would be one of them, and mission in Western Europe would be one.

Admiral CROWE. I think all our forward deployments should be reviewed. I am not implying by this they should be eliminated. I think they should be reviewed in the context of the fiscal climate we are going to face. The flexibility, mobility and the—I just do not see how we can afford to spend great deals of money on forces, men and equipment in the future that do not have multi-missions, that are not mobile, that are not flexible, that cannot be employed in many places, et cetera. It seems to me that is the biggest change we are confronting in our Armed Forces policy. Those would be the main things.

Mr. Chairman, I am drawing to a close here. I just have one or two other points I would like to make. Obviously, I believe the prospect of lower defense appropriations argues the urgency of arms cuts, both nuclear and conventional. But above all, we must exploit every opportunity to draw down the one threat, the one threat, that can do catastrophic damage to the United States, and that is the Russian strategic nuclear arsenal.

At the same time, I think it is imperative that we understand no matter what course events in Russia take, the prospects are high that the U.S.S.R. will remain a superpower, an industrial nation, a competitor with the United States, if not militarily, certainly a competitor for influence worldwide. And it will be a nation that retains a strong scientific community. A community which will continue to challenge the unknown, either for military or civilian purposes.

Now, that suggests in turn, as regarding security policy, that we cannot take our technological advantages for granted. We must at the same time protect our own interests, which we currently enjoy and continue to stay ahead in the areas that can contribute to our security in the future, particularly if we see some dramatic change-about in the threats we face.

Mr. Chairman, I would suggest that strategic transitions are always extremely difficult. But it is better to manage them with imagination, foresight and thoughtfulness. And I labor under the belief that this committee can play a very crucial role in that regard, in shaping the future of our services.

Thank you, sir.

Chairman NUNN. Thank you, Admiral Crowe.

Let me just take up where I was asking Admiral Crowe the questions on strategic rationale. General Vessey, I think you already laid out some of yours. General Jones has also. Just focusing in on that, without getting down to the level of what the answers are, what should be the focus of our strategic rationale? If you were Chairman right now, and the President basically told you, I want a new strategy, or using other words, a new strategic rational, which the President has said he wants, what would you tell your staff and the other Chiefs to be working on? Let me start, General Jones, with you, the areas that you will be hitting.

General JONES. First, I would say to the President and the Secretary of Defense that the JCS in isolation cannot develop a strategy unless it is based on a real national vision of where we want to go and how involved we want to get in the world.

I mentioned the issue on strategic forces. We tend to, in the arms control—every administration that I'm involved with and I think it continues maybe to a lesser extent—we look at the next step in the strategic arms control, but don't look long term. What should be the ultimate goal if we could accomplish it with the Soviet Union? Zero is not the answer with strategic forces, but are we willing to get down to enough force where, let us say, we are very limited on both sides? Does that mean a triad with the issue of vulnerability and defense within that? That has a lot of political as well as military implications.

Another is what are we going to do about the Third World. The tragic situation in Vietnam was not Lyndon Johnson poring over targets, but that we made it our war, and we tried to fight it ourselves. If we get involved in the Third World, what will we do? What is our basic strategy there?

To me it is to complement and assist others as opposed to our being directly involved. That does not mean that certain circumstances we will not be involved.

Another one is size versus quality, and the issue we were talking about here. We tended in the past to emphasize quantity and let quality slip. I think that is another area that we should be looking at. I will go back to the first point I made. There is not enough political-military interface in the whole planning process and in what are the potential crises in the world and how do we want our military forces configured to handle those.

The very much political content, I mentioned Panama. How much involvement of the military in the political side of the House and its training of our people. In that regard the world to be in the days ahead is going to be very gray rather than the black and white we have tended to have before. How do we get our military structured to operate within that very gray environment to me would be a part of this broad strategy.

Chairman NUNN. Thank you. General Vessey.

General VESSEY. Mr. Chairman, I guess I would go back to some work that we did on that, on the Commission that was formed a few years ago when we put out the report called "Discriminate Deterrence." In that report we certainly did not predict the world that—the rapidity with which the world would change—but we did predict that the world was moving in this direction and that the world we would look at would be more of a multi-polar world and considerably different from the world that focused our attention in the past 45 years and concentrated the efforts of our forces.

I oftentimes cite India as an example. I was out in India a few months ago. I was on the top floor of the Taj Mahal Hotel, and I looked out over the Indian West Fleet, two aircraft carriers and six new submarines sitting there, and 50 very modern destroyers and frigates, all with modern anti-air and anti-submarine capability. The sky was filled with modern jet airplanes, and I realized that there is a very significant naval force, and it belongs to the nation that will soon have a billion people and that has at least exploded a nuclear device if it is not now a nuclear power.

We focused our attention on the major threat to us in recent years, and that is the Soviet Union. I am not suggesting that India is an enemy or even a potential enemy, but what I am suggesting is that the world is changing, and we need to broaden our vision a bit.

If I were in the position that you put Admiral Crowe in—that is to say to the Joint Staff what do you look at—I would say let us take a clean sheet of paper and look at where we want to be in the next 25 years, at the end of 25 years if the present trends are continuing in Europe. That is, if the Soviet threat continues to wane. I would start with the things that both General Jones and Admiral Crowe raised and that is how do we deal with strategic nuclear threat through that period of arms control? How low do we go? What is stable between us and the Soviet Union and what is stable in this world where we are likely to see more nations with the capability of building and delivering nuclear weapons. After that, the structure of our forces. I believe as these two people have said and I said earlier that the maintenance of the alliances that we have constructed over the past 45 years can be a stabilizing influence in this world ahead.

The thing that Mr. Modrow suggested yesterday, a neutral Germany with no foreign forces I think is an invitation to move toward the same sort of trouble we had before, World War II. Whatever the strategy is in the future, I think that what we have learned that free nations banding together to have common defenses can be a stabilizing influence in the world, and whatever the new strategy is, I would hope we would carry forward the most effective things from the old strategy. It seems to me that our alliances are a very effective tool.

Certainly on Germany, the questions that Dave raised, what about a united Germany connected with the West. I think a united Germany tied to the West is a far safer Germany than a neutral Germany not tied to either bloc, and it is safer for the Soviet Union than any other Germany they can envision. If I were Mr. Gorbachev, it might be hard to swallow, but I think I would recognize that and swallow it.

So then what happens to the United States? How do we structure our forces? I go back to what I said earlier. We have to look at our contribution to those alliances, what should it be, and it should be far different from what it is now. Yet, if you take that clean sheet of paper for 25 years from now, you also have to construct the road map showing how to get there.

I have said earlier that I think we need far more emphasis on Reserve components, and on changing the interface between the Active and Reserve components. It is now almost a wall, and what we need is a meshing of the Active and Reserve components. We must structure the active duty force to deal with unforeseeable contingencies. People say, tell me what an unforeseeable contingency is. If I could tell you what it was, it would not be unforeseeable. But we have had all kinds of them in my lifetime, and we have had to deal with them.

We need flexibility. We need mobility. So, how do you get there? Well, you—where we are now is where we are. We cannot change that. We have to move from where we are.

Many of our forces are heavy because that is how we designed them to fight the threat we have. It means you are not going to change those overnight. You cannot go down to the store and take 60-ton tanks and turn them in for 20-ton tanks. There is no store that sells tanks. In the meantime you have to maintain the mobility to be able to move the forces that you have now, and some interim mobility fixes may be more important now than they will be 20 years from now. Over that time you can evolve your force to what you really want it to be at the end of the 25 years.

Chairman NUNN. Is one of the things, that you might skip another generation of heavy forces?

General VESSEY. I think I would seriously consider that. As I said earlier, the guys on active duty now are the ones who really have to answer that question, but I would say you ought to look at an opportunity to make these forces last longer than you ordinarily would make them last and then look at the world that we can surely foresee. We are going to have less bases overseas. Unless we can get people to bring the fight to our shores, and we surely do not want to do that, we are going to have to go where the problem is. That means that the forces have to be more mobile and more flexible.

Chairman NUNN. If you were looking at what to build now in terms of new as opposed to existing production lines, would you try to visualize down the road where we want to be? If something that we are trying to build or thinking about deciding to build right now does not take us down the road, would that be what you would move toward?

General VESSEY. I would skip that and put it in R&D and, as I said, try to make a bounding leap in adjusting to the world ahead.

Chairman NUNN. Admiral Crowe.

Admiral CROWE. Mr. Chairman, I approach this subject with some fear and trembling, but one of the things when I was talking about a strategic concept, I am not even sure this can be done, but it sure was a source of frustration to me. I am talking about getting some sort of at least implicit consensus in the U.S. Government including the Congress on how we are approaching the strategic problem, how we are looking out ahead, how we are conceptualizing. The Congress, of course, makes decisions that impact on that very important decision, but they usually make it in budgetary terms and those decisions impact the arms control business.

One of the most frustrating things I faced in the administration is trying to work out a coherent, sensible arms control policy and tactically introducing these things into the negotiations, while the Congress was busy reallocating resources that either cut our forces or expanded our forces. That was really never coordinated with the arms control business.

Chairman **Nunn**. What is an example? What do you have in mind there?

Admiral **Crowe**. Well, I have in mind the mobile missile. We are negotiating the guidelines for a mobile—land-based mobile missiles, and this country cannot decide what kind of mobile missile we are going to have or whether we are going to have one.

Chairman **Nunn**. I would certainly agree with you that Congress does not deserve any blue ribbons on that one. But when you look at the whole Scowcroft Commission and the fact that the Scowcroft Commission laid out a blueprint and Congress signed on to it, that was just absolutely decimated by the Weinberger Defense Department. So I would say that the problem on the mobile missiles started in the Department of Defense.

Admiral **Crowe**. I am not arguing who shot John, Mr. Chairman. I am making a plea.

Chairman **Nunn**. Well, I was, because I was part of that, and I think I know who shot John on that one. [Laughter.]

Admiral **Crowe**. I am making a plea for some kind of—for the Congress as well as the administration to reach some kind of conceptualized agreement.

Chairman **Nunn**. I agree with you. I have another question, but I am going to reserve it because my time has expired. Senator Gorton.

Senator **Gorton**. Well, perhaps I will come back to it right now Mr. Chairman. A question for each of you.

If looking realistically at what is happening to the Defense budget and given the emphasis that each of you has placed on a strategic deterrent, if nonetheless one part of our immediate plans for our strategic deterrent is going to end up being dropped, that one is less important than any other, which would it be?

You know, Richard Perle was here a week or so ago and said to skip both of these mobile missiles at this point and look forward to a next generation of land-based missiles. Would you agree with that prescription or are those missiles more important than some other part of our strategic deterrent or even if the Defense budget is going to be cut further than what the President has suggested, should it be somewhere else?

General **Jones**. If you look at it from a broad strategic standpoint, I would not for various reasons increase SDI by a billion dollars. I would keep it level. But within the strategic offensive forces, my lowest priority is in the modernization of the ICBM force.

That does not mean we ought to go to a diad, but I just do not see the great need for the modernization of that element right now, particularly with the uncertainty of arms control and so forth. I am not saying cancel the programs 100 percent, but I would move down more the R&D route at a very modest level in those areas.

Chairman **Nunn**. Are you talking about on the land-based forces?

General **Jones**. Yes.

General **Vessey**. I, too, would cancel the two mobile missiles. I think that given the situation in the world today and assuming that we are going to continue to pursue arms control with the reasonably sensible objectives we have, I think the idea that somebody is going to attack our silo-based missile forces to get, I don't know what, around 20 to 30 percent of our warheads, it is just not reasonable now. I do not believe we need to field those missiles at this time.

If you start with a clean sheet of paper, yes, single warhead mobile missiles would be a far more stable force to have, but we do not have a clean sheet of paper. Again, we are where we are, and I think I would cancel those two.

Admiral **Crowe**. I would associate myself with General Vessey's comments. We have a mobile missile. We have a mobile missile in the field, and that is the sea-borne mobile missile.

On the other hand, I would like to see and when you are talking about strategic modernization, etcetera, some discussion of diad, triad problems and so forth, instead of just making these decisions on the basis of cost of a weapons system when you actually make the decision.

Chairman **Nunn**. If I could interject without taking the gentleman's time. All three of you would basically do away with both mobile missiles now and you would basically say the Soviets keep their SS–24s and SS–25s mobile, and we would basically have no mobility? Is that what you are saying?

General **Vessey**. This has to be in the context of what we are doing with arms control. I think the idea of mobility is far more important to the Soviet Union because so many of their missiles are silo-based or so many of their warheads are silo-based.

On the other hand, I think I would not do this without forcing them to give up mobile MIRVs.

Chairman **Nunn**. What about a proposition that we give up the going mobile if they give up the option of going mobile and give up the SS–18s and we get rid of the MX and start going to a de-MIRVed regime if you talk about where you are going on both sides?

Admiral **Crowe**. Of course, that absolutely makes eminently good sense, Mr. Chairman, but this is what I meant about the disconnect and how these decisions are made.

Chairman **Nunn**. I agree with you completely. I have been harping for about 2 or 2½ years on trying to get some kind of strategic rationale for arms control. We started down the road with the Scowcroft Commission recommending mobility. Whether they were doing it anyway, I do not know, but the Soviets read the Scowcroft report, and they went mobile. We did not do it. We disregarded our own report, and now they have got two mobile missiles over there. We said in our strategic rationale back then that we thought both sides' mobility would preserve the survivability on both sides and make a more stable world.

Now, I read in the paper this morning that we are trying to develop a way to find the mobile missiles so we can get those. If we do that on both sides, you are just right back where you were on fixed silos. They become vulnerable again, and so I cannot get any vision out of where we are going with our arms control position or our strategic forces at the moment. That is the dilemma in START.

Admiral **Crowe**. But you have to do that as long as you have this uncertainty in the field. If you are going to make a decision in the

Congress that we cannot have a mobile missile, that is an important decision, and that is critical information for the arms control negotiators and for the administration. We would be doing things differently if we knew that.

Chairman NUNN. Of course, the Congress gave the President both mobile missiles last year, and we gave the money. It was on the implicit assumption that we were going to have a different arms control regime coming by, and that would go toward MIRVs. There was not an explicit promise—I want to make that clear—but there were a lot of understandings, particularly with the man who authored the Scowcroft Commission in the White House. Now that has changed because it appears that General Scowcroft's view is not the administration's view, and so we are going to have, I think, a situation where there is no consensus anywhere. We are going to have an arms control position that is out of synch with our strategic planning and our posture, and it is just a tragedy. We cannot get together on this.

I would agree with that point, but it has got to start with some vision coming out of the White House and the Department of Defense.

Senator Gorton, that does not count against your time.

Senator GORTON. Does each of you agree with the President's proposal the night before last to get CFE to lower the number of troops in Central Europe to 195,000 on each side?

General JONES. I do.

General VESSEY. Yes.

Admiral CROWE. I think we should.

Senator GORTON. Admiral Crowe—I will let each of you answer this question—but in view of the way you spent your last couple of years, the marvelous opportunity you had and took advantage of to get a greater insight into the thinking of the Soviet military leaders, I will start with you and ask you this.

What troubles me about that proposal of the President is the implicit assumption that we are perfectly happy if the Soviets keep a significant number of troops in Czechoslovakia and Hungary and East Germany and Poland at a time in which it is becoming more and more obvious that those countries want a zero option if we can put it that way, a one-sided zero option, and want all of the Soviet troops gone.

Do you think we might be better off, rather than negotiating down to 195,000, recognizing that maybe those CFE talks have been overtaken by events, make unilateral or quasi-unilateral decisions of our own to take down our numbers to about that number on the basis that that will actually increase the pressure on the Soviet Union to remove all of their troops from those countries?

Are we sort of shooting ourselves in the foot in other words, if we negotiate a figure which implies that the Soviets can stay where they are not wanted?

Admiral CROWE. Well, I do not believe we are doing that, Senator. I think first of all it is oversimplifying the problem. It is a dynamic problem that involves not only what the Soviets are doing but what we are doing in Western Europe with our allies, et cetera, and the future of NATO.

As I said in my preliminary remarks, I see some instability, some uncertainty, and some confusion and turmoil in Eastern Europe. It is imperative we not have that in Western Europe, that we confront what they are doing with unified, stable face and so forth. That is important to us irrespective of what they are doing.

The President has got a very difficult task to balance that interest against what we want the Soviet Union to do. I think the kinds of pressures that are building in Eastern Europe to get troops out of the satellite countries are going to, first of all, build irrespective of what we do and, second, they are going to have a strong impact on Mr. Gorbachev. I saw that in my conversations with Soviet military leaders. It might happen very well without us doing anything.

On the other hand, I would associate with Chairman Nunn that we should formalize these cuts. We should make sure what is going to happen to those weapons systems. I do not fear what you have described, sir.

Senator GORTON. Do either of the others want to comment?

General VESSEY. I would just say that you raise an important point, and I raised the point in my opening remarks that we do not want to create this impression of immutable parallelism between the NATO and the Warsaw Pact.

The Warsaw Pact was an imposed alliance, imposed by the Soviet Union, and we do not want to legitimize the presence of Soviet forces in Eastern Europe when they are there illegitimately.

The people of those countries ought to get them out, but at the same time, as the Chairman raised in his remarks, we want to know what happens to those tanks. We do not want them peddled around the world where we will have to fight them somewhere else, and so the agreements between the two superpowers in conjunction with our allies are important. But, we should not create the impression that because they are forced to do something because of the political situation inside the old Soviet empire that we have to do the same sort of thing inside this banding together of free nations that we have in the West. It is a point we need to pay attention to.

General JONES. Clearly we should not legitimize the Soviet presence in Eastern Europe. They can go down to 195,000 and still pull everything out of Poland and Czechoslovakia and Hungary because there are about 380,000 Soviet troops in East Germany. The East Germans have not called for their withdrawal yet. They may at some time.

My guess is they would like a substantial reduction in Soviet forces, but they do not know what they want beyond that. I think at some time we can take a different approach, either reciprocal reductions or reductions that are agreed to in much less formal way.

To start with we will have to go through the thick arms control documentation to get down to 195,000 but at some time when the threat becomes substantially less than it is now—and it is a lot less than it was a few months ago—but at some point I think we can become less formal.

With conventional forces, the smaller you get, the less important verification becomes because hiding a few things will not—a few hundred tanks and armored personnel carriers—will not give someone an opportunity to mount a major offensive after you get down to a certain level. I am not ready to say what that level is. I think we can make more rapid progress. The less we have the lawyers in negotiating every page of every document, we are not at that point yet.

Senator GORTON. Thank you, Mr. Chairman.

Chairman NUNN. That may be the only area where we have an advantage over the Soviet Union is in the number of lawyers. We do not want to give that up. [Laughter.]

Admiral CROWE. It is an asymmetry, not necessarily an advantage. [Laughter.]

Chairman NUNN. If we get enough lawyers and American news media over in the Soviet Union, we are going to cause trouble again. Senator Bingaman.

Senator BINGAMAN. Following up on that in a specific, let me just ask you about our posture today with regard to arms control on short-range nuclear weapons. The subject came up yesterday when Secretary Cheney was here and came up in the context of the request by the administration for us to substantially increase the funds for this follow-on Lance which, as I understand it, is a missile that will carry a nuclear weapon from West Germany to East Germany.

It strikes me—and I do not know all the detail behind this—that we entered into an agreement with our allies or at least made a statement with our allies in May that for the time being we would not do anything with regard to short-range nuclear weapons, and that we wanted to wait until the conventional arms control negotiations had concluded before we would do anything in that area. That may have made sense at the time and probably did, but some things, some serious things have changed.

One is, it seems to me that Eastern Europe is no longer part of the Soviet Empire. To my mind, that should cause some rethinking of that, and either that rethinking is going to be initiated by our European allies, particularly Germany when they essentially tell us that they want dramatic reductions in, if not the elimination of, these short-range nuclear weapons, or we can take the initiative in this area.

I just see it as somewhat inexplainable that we are continuing to look the other way and assume that the Europeans are going to ignore this issue as these conventional arms negotiations drag on. I would like any comments any of you have about whether this is something we ought to start talking seriously with our allies about. Maybe we are, and I just do not know about it, but sooner or later we have got to begin to reduce our short-range nuclear capability in Europe. It strikes me that the sooner the better as far as our relations with the Europeans.

If any of you have comments or contradictions to that, I would be anxious to hear. General Jones.

General JONES. I would not proceed with the improved Lance. I would let sleeping dogs lie right now in that one issue. We have got enough turmoil in Europe, and there will be a great debate on the deployment of Lance. What I would do is work on the conventional reduction as the administration is working and work with our allies on the reduction of the tactical weapons in negotiation with the Soviets as we make some progress on the conventional forces. Our need for the tactical weapons decreases as the conventional capability decreases.

As the numbers of nuclear weapons get smaller, the more important verification becomes. But I think to raise a big Lance verification issue is going to compound the debate within NATO and within Germany that we do not need right now, and it is not that important in my judgment to our military force.

Senator BINGAMAN. So, you would not go forward with increased funding for this follow-on?

General JONES. I am not sure of the budget numbers. I do not even know what number is in the budget. I would not make it a big political issue right now. I would continue to do some R&D on it, but I would not try to force an issue on deployment of the Lance in Europe.

Senator BINGAMAN. Does anybody else want to comment?

General VESSEY. I think there are two separate issues. One is the issue General Jones raised about deployment in Central Europe, and the other is how do you foresee the role of nuclear weapons in the security equations in the years ahead.

As I said in my opening statement, it is time to examine that, and this decision should be illuminated by examination of that question. I think the important thing to remember is the Soviets still have comparable capabilities, and I certainly would not kill the improved Lance. I think that would be a mistake. But I also think it would be a mistake to push for deployment of it at this present time.

On the other hand, I want to say that there are a lot of people in the Defense Department, people who are dealing with NATO, who are a lot better informed than I am on this issue, and they can give you a far better answer than I.

Admiral CROWE. I would just like to comment on something General Vessey said. The Soviets not only have comparable capabilities in this particular area, they have vastly superior capabilities. Also the long range of the improved Lance, of course, is easing a political problem in Europe by increasing the range of our tactical nuclear weapons, which is a very sensitive issue with the Germans.

Senator BINGAMAN. Let me ask you about Brilliant Pebbles. There is a major increase requested by the administration for the Brilliant Pebbles part of the SDI budget. I asked Secretary Cheney yesterday if his thinking about whether the lessened threat by the Soviets would justify us pulling back from that type of program or that specific program which, as I understand it, is intended for early deployment.

He indicated he did not think so. He felt that the need for us to be able to make a decision on deployment was just as present and just as important in the near future as it ever has been regardless of what is happening to the strategic threat or to the threat from the Soviet Union.

Do any of you have comments on the wisdom of going forward with this Brilliant Pebbles at a very fast track basis that the administration is requesting us to do?

General VESSEY. I am not well enough informed of where Brilliant Pebbles is to give you any sensible sort of an answer, but as I said earlier, the Secretary of Defense and the Joint Chiefs, working with the President and the Congress, have an integrated strategic nuclear strategy which includes defense and arms control and where you are going to go on this.

I believe that with the way the world is developing, with other nations having either the possibility of building or delivering nuclear weapons, or some of them already have them, that it makes sense for us to go ahead with defense. Now, at what pace, I am not prepared to answer. I am just not up enough on the programs.

Admiral CROWE. Senator, I would make a similar comment without getting into the specifics. I am not familiar with the most recent progress on Brilliant Pebbles—and incidentally, it does change daily.

Bearing in mind even a successful and completed START agreement, we are going to be facing a very impressive nuclear order of battle in the Soviet Union, and they are going to have a very large, modern capability and in many respects an order of battle just as capable in terms of destruction as it is today. We will still have the nuclear equation. We will still have the problem of deterrence, and if SDI can contribute to the problem of deterrence today it is going to be needed after START. We are going to have to do a lot more reducing before that need disappears.

Senator BINGAMAN. General Jones, did you have a comment?

General JONES. Well, I admit I have not had recent briefings. In fact, most of my efforts in security have been very intensive discussions with the Soviets with working the larger issues.

I mentioned earlier that I would not have a big increase in the SDI program. That does not address the Brilliant Pebbles specifically, but it is inconceivable to me that we would deploy an SDI in the days ahead. In the Soviet Union there is a debate as to whether or not it would be more stable or less stable. It would be very expensive to have a system around the whole country. SDI also tends to promote proliferation of offensive weapons to defeat the defense.

With the proliferation of ballistic missiles and weapons of destruction in other countries, it would be a legitimate debate at some time, to consider would a deployment be useful? I still would be skeptical as to the cost versus effectiveness of something that would have to work perfect in case a country launched one missile against us.

Second, if some nation really wanted to explode a nuclear weapon in the United States they could fly into our country with little risk. We would have to build a big air defense to prevent that and even then they could bring weapons of destruction in a lot of different ways. I do not dismiss that possibility. I would keep the R&D going on SDI, but I would not move toward deployment.

Senator BINGAMAN. Thank you very much. Thank you, Mr. Chairman.

Senator EXON [presiding]. Thank you very much, Senator Bingaman. Gentlemen, let me welcome you here. When I see the three of you sitting at that table and not in uniform, I do not think I have ever seen all three of you together at a table before, and certainly not in uniform. I would only say to you, you look more like U.S. Senators than military people, and I do not know whether that is good or bad. [Laughter.]

Senator **Exon**. But I must tell you, in all sincerity, I have had the pleasure over the years of working with all three of you as Chairman of the Joint Chiefs, and if there were ever role models that our people should look up to, it is General Jones and General Vessey and Admiral Crowe.

You have done an outstandingly superb job in a very difficult area, and the successes that we have had of recent vintage, what appears to be a near collapse of the Communist empire in Eastern Europe, to a large part goes to you. Your tenacity, your testimony and your work are major reasons that we are in the enviable position we are in today. So thank you, first, for all that you have done for America.

The testimony that you are giving here today is extremely important to all of us, and I am sure that as we walk down that road toward eventual mark-up, what you gentlemen are saying here today is going to be repeated several times in arguments pro and con on all of the issues at hand.

Let me start out, then, by trying to clarify some of the things so that I really understand where you are coming from and what you are saying. I do not want to influence—and I could not, if I wanted to—what you are saying, but I want to try and clarify it.

First, following up on the question that was asked by Senator Bingaman, the Strategic Defense Initiative. I believe that most of the members of the committee agree with the answer that you gave, General Jones. I, for one, though—and I am sure you would agree—very definitely feel that research and development in SDI should continue. The present emphasis seems to be on Brilliant Pebbles. As you know, there are many other possibilities in that area.

In the testimony yesterday, the Secretary of Defense indicated that he wanted to move ahead on this, and he indicated that there may be some chance of deployment at some time in the future, and it was also pointed out that if that happened it would be a violation of the ABM Treaty.

This committee, among all of the committees of the Congress, has been the one that has said always, even before the threat diminished, as it has now, that we should not go ahead and deploy. I would hope that we could continue the research and development along the lines of knocking down—or having a 95 percent assurance, let us say, of knocking down the onesies, twosies and threesies of ICBMs that are coming into the United States.

Because it seems to me that future Presidents might be held in a very difficult position if a terrorist type of leader of a Third World country would call the President of the United States on the telephone and say, if you do not do this or that or the other thing, I have an ICBM and I intend to launch it at the United States. I do not know where it is going to land—San Francisco, Washington DC or somewhere in between.

It seems to me that our SDI emphasis should be on some kind of a system that could give us high assurance of knocking down a limited attack from a terrorist-type foreign leader. Is that something that you share? Is that what you see as the scope of SDI in the next 20 years?

General JONES. Well, I do not know. I would continue with SDI R&D in a generic mode, looking for the best possibilities, which then might lead to what you are talking about. I think the hypothetical situation is extremely unlikely, and how much we would want to pay to counter that. If I were President and somebody called me up—and my answer is not necessarily meant to mean precisely what I would do—I would have a 30-minute conversation with him while his ICBM launchers were destroyed. I just feel there are other things we can do than deploy SDI.

If we see a hostile nation getting an ICBM whose leadership is irrational, we ought to be able to work with the Soviets and others to bring some rationality back to that country. If we were really concerned about it, we should do something to get ahead of that sort of threat.

I do not dismiss, some day in the whole SDI context, doing something about SDI as we continue with the R&D. I would not—if there were an overwhelming case for SDI—I would not let the ABM Treaty stand in my way. I would try to renegotiate it, and if the case were strong enough, I would decide to deploy it regardless of the ABM Treaty, but I would have to make the judgment of what that would mean with regard to what the Soviets would do. If there were a strong enough case, I would not do it just because of the treaty.

Finally, thank you for the very kind remarks, and we appreciate your support of defense and of us over the years, Senator Exon.

Senator EXON. General Vessey.

General VESSEY. As I said earlier, I do not know enough about where Brilliant Pebbles is now to give you a sensible answer to that sort of question. Certainly, the Secretary of Defense and the present Chairman of the Joint Chiefs know far more about it than I.

I continue to believe that research, and with the prospect of deployment of a defensive system, makes strategic sense and ought to be continued to be evaluated in our strategic equation. It is an equation that goes beyond just simply the Soviet Union and the United States today.

One looks at India and China, with 40 percent of the world's population, both being nuclear powers. You are looking at a different sort of world than we looked at in the recent past.

So defense gives us some important options in the future that not having a defense deprives us of, and we ought to continue to work on defense, but I cannot give you a sensible answer on Brilliant Pebbles.

Admiral CROWE. I have very little to add to that, Senator. I would certainly support a continuing research program. We have the capability—at least, when I left the Chairmanship it was our judgment that we have a better breakout capability than our potential adversary, and I would hate to see us lose that. We should stay ahead in that field and do it in a proportionate way.

Senator EXON. Thank you, gentlemen. I have one last question. Let me attempt to clarify what your recommendations are on ICBM modernization, an issue that has come up on many occasions during the series of hearings we have held on threat assessment. Please clarify for me, if you will.

Do you believe that we should eliminate at this juncture any serious planning or investment in the ICBM modernization by canceling both the rail garrison MX and the proposed follow-on, Midgetman? Is that your position? I am not sure I was clear from listening to your answers.

General JONES. Well, in my view, we ought to be trying to tie it in to the whole arms control negotiations.

Senator EXON. We all agree on that.

General JONES. With regard to the rail mobile MX and the SS-24, I think it was a good idea to try to trade them off.

I would probably keep a modest amount of money in the program now as we try to achieve some negotiation, and probably a little money even on the Midgetman, if it helps in the arms control. I would not put a lot of money in for it, but I do not foresee in the days ahead a deployment of the Midgetman. I think it would be very expensive, very difficult, and I believe that we will find eventually it will not be needed.

Senator EXON. Thank you. General Vessey.

General VESSEY. I have about the same opinion. I think that you ought to do something. You have to tie it in with negotiations, and that is why you may need to put some money into programs to keep them going so that you could go ahead with them if need be, but I would sure try to get rid of MIRVed mobiles in the negotiating side of the house, and not have to deploy the rail mobile MX. I think that the opportunity to do away with both land mobile missile programs is here with us, but it needs to be tied into our negotiating strategy.

Senator EXON. Admiral Crowe.

Admiral CROWE. As we discussed before, Senator, one thing I do believe and that is, we cannot afford both. You dragged out of me once before my preference, but my real point is, we cannot afford both. We have got to have some decisions, and I support strongly the suggestion that it be integrated with arms control. Getting rid of MIRVed mobiles I think would be greatly to our advantage if that is a practical proposition.

Senator EXON. Can I drag out of you once again how you feel about the two missiles? That has not changed. What was your testimony before about which one you would prefer if we had to go one way or the other?

Admiral CROWE. Well, it was the rail mobile, strictly for cost reasons, Senator, but at the time I left the Chairmanship I was more interested in a decision than anything else.

Senator EXON. Thank you. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Exon. Can I follow up on that. If I understand, perhaps what each of you are saying is we really cannot afford, nor should we give priority, to two complete mobile missiles in terms of deployment?

Admiral CROWE. Not given the fiscal climate that we are confronting now.

Chairman NUNN. I believe that all three of you said, did you not, that it would be good to get rid of mobile MIRVs on both sides?

Admiral CROWE. I think we would prefer that.

Chairman NUNN. Would you go for something like getting rid of the SS–24 in exchange for us not building the rail mobile MX? Is that what you are saying, all three of you?

Admiral CROWE. I would buy it in a heartbeat.

Chairman NUNN. What is wrong with moving toward single warheads on both sides but not make them mobile? If you got rid of the MIRV systems on both sides, you would not need to make single warheads mobile.

General VESSEY. It is a long road from where we are to there. I say that right now I would pursue the negotiations the way we are going in the substantial reductions in warheads, because, if we move to single warhead missiles now, what you say to the United States is get rid of the very modern missiles that we have and keep the oldest ones, which we really need to get rid of. I think that it is just not the right point now.

In the long run, as I said earlier, if you had started with a clean sheet of paper, a single warhead, mobile missile would certainly be a very stable force to have. But we are not there. We have MIRVed missiles, and I personally think that with the Triad, we can put them in silos, that the vulnerability is not—it is there if you only had missiles—but it is not there as long as you have the very good modern submarine force we have and the good bomber force.

General JONES. I think philosophically there is reason to move toward single warhead missiles. I think there is a practical issue of near term forces. I guess behind all of my thinking is less concern on the so-called vulnerability of our land-based force.

To me there are great uncertainties as to its true vulnerability. That as long as we have other elements of the Triad that have other characteristics, the ICBM vulnerability does not greatly bother me. I think it is debatable how much of the ICBM force they could destroy. That tends to shape my views on the land-based forces.

Chairman NUNN. Does it bother any of you that we are about to get into a whole other generation on probably both sides of going after mobile missiles? Look at the headlines this morning. We have got a news article about the United States' efforts to go after their mobile missiles, finding a new way to go after them. If we do that, they are going to do the same thing. Is there a way we can reach a point where we do not feel compelled to try to have the capability of knocking out both land-based missiles?

General JONES. First of all, I recognize they have mobile, and we do not. In this circumstance I think there is an advantage of ours trying to go after theirs. If we both had mobiles, and we could verify a situation where neither one went after mobiles, I think there could be some value to that.

Chairman NUNN. Of course, we talk about the cost of the Midgetman, but I see the cost of going after their mobiles over a 20-year period exceeding the cost of the Midgetman. I mean, we look at only one cost. We have got a heck of a cost coming, if we are going to develop all of the capabilities to go after their mobiles, particularly, if we do not have one ourselves.

General VESSEY. That is exactly why we need to take this longer look at where we want to be in the long run. And then try to fit it all in together. If you start answering each of these questions by themselves without looking at the larger picture, we are likely——

Chairman **Nunn**. I guess that is my question. Where do we want to be in the longer run?

General **Jones**. I think either, both sides are going to take whatever action is necessary to maintain a substantial part of their offensive forces invulnerable to attack, or have low vulnerability. With the Soviets, if we go after their mobile missiles they will try to take other measures to counter that capability.

I would not spend tremendous amounts of money to go after their mobile missiles. It could drive them more toward submarines. And even with our good ASW capability, I think, as far as I can see, the submarines will not have the degree of vulnerability that we are talking about for the ICBMs. And so it is not going to be a zero sum game, but as we move in one area, they are going to move in another area.

General **Vessey**. I would just simply say to what Dave said, that if we permit them or buy arms control, drive them into putting most of their warheads into MIRVed mobile missiles, we have to be able to go after them. We will not have any choice.

Chairman **Nunn**. If we do not have mobile MIRVs?

General **Vessey**. Well, it really probably will not make any difference, even if we do. We will find a way to look for them.

Chairman **Nunn**. Well, why not then say that your long term view is to get rid of MIRVed missiles on land?

General **Vessey**. Well, that is a very legitimate question. I think that trying to answer any of these questions now, without trying to put together this whole package at one time, is sort of futile.

Chairman **Nunn**. I agree with you. I think what this committee has got to do though, and hopefully the administration will do it first, is say where we want to go in all of this down the road. And I see no one saying that. Everything is tactical from one step to the other, getting an agreement. I would much rather have an agreement 2 years from now that is a good one that leads somewhere, than have one in June that does not have any rationale behind it at all. I am afraid that is where we are heading.

General **Vessey**. I would agree with that.

Admiral **Crowe**. Incidentally, going to single missiles now, Mr. Chairman, that would be expensive too. Going back.

Chairman **Nunn**. Yes, it would, no doubt about it. All of it is going to be expensive, but it may be that you can find some way. Of course the thing that makes single warheads so expensive is if you move them around. If you had single warheads on both sides, the goal of that 10 or 15 years from now, and started off with that design, you would not necessarily have to take your single warheads and put them in a mobile posture.

If you had a deMIRVed regime coming along, and you were going to get rid of the SS–18 and the SS–24 on the Soviet side over a period of years, then you could then calibrate and be prepared to go mobile if necessary. But also not do that.

Admiral **Crowe**. Your accuracy technology is moving too. The great advantage of the single warhead today may not be there 15 or 18 years from now.

Chairman **Nunn**. That is true. Senator Lott.

Senator **Lott**. Thank you, Mr. Chairman. Just a couple questions sort of picking up on some of the discussion you were just having, but talking more specifically about the so-called 5-year plan, or what is the long-range plan.

I really wonder if we are capable of doing that, number one. And what good it would do even if we developed one, because the Pentagon has to go through its exercise, rely on all kind of expert assistance, then you have got to deal with the Congress.

I wonder if it is just a sort of bureaucratic exercise. For one thing, events are changing so fast. Are you supposed to be preparing for the best case scenario? Worst case scenario? What good is all this? I guess it is good, if we ask those questions, but I really wonder what we are going to get out of it.

General Vessey.

General **Vessey**. Well, the guys in the Pentagon are going to have to go through that exercise, whether we say it is a good idea or not. It is important that they do it. If you do not have people over there in the JCS who are looking at the worst case scenario, you better shake the woods over there, because that is what the country has to be prepared to deal with, and those guys had better be looking at the worst case scenario.

As you say, the world is changing very fast, and what we have to do, is find a way to use the resources available to us in the most sensible way to get us through this period of change and then be able to use those to maintain stability in the years ahead.

These are tough times for the Nation and for our allies and maintaining the willingness to provide enough for defense is going to be hard to do, when it looks like the threat is disappearing.

You know, you can almost see a Secretary of Defense coming up to the Congress a few years from now—if we do not do things sensibly now—and saying, the world is a lot safer than it was, and the danger of attack on us or our allies is a lot lower than it was, but the President has got to ask you to raise the Defense budget, because we did not build the forces to deal with the dangers that we do face in this changed and safer world.

So, we have to see the threats that are there today. And we must have at least a little bit of a vision of the road map to the future and take care of both of them, or we have wasted the taxpayer's money.

Admiral **Crowe**. Senator, you have one firm data point on this curve. If you are suggesting we do it the way we have done in the past that has been pretty poor.

Senator **Lott**. Well, I am not. That is right.

Admiral **Crowe**. So, anything that would be different will probably be helpful.

Senator **Lott**. I just wondered if we really are capable, or if we are committed sufficiently to doing it different.

Admiral **Crowe**. I do not know. It seems to me it is incumbent upon us to try.

Senator **Lott**. General Jones.

General **Jones**. First on the issue of the scenario, it seems to me that we ought to be looking at the most likely scenario with a hedge against the worst. With regard to the 5-year plan, many of the decisions you make here have an impact in 3, 4, 5 years—not now.

Traditionally, we have had little discipline in the 5-year plan, with an anticipation of getting well and an escalation in budget levels. Therefore we start more things that we can finish. So, I applaud what Secretary Cheney has done to bring some discipline to the out years. Obviously, we cannot finitely tell you exactly what we need 5 years from now, but I think we can do—as Admiral Crowe said—a much better job of saying what is the road map and showing much better the implication of today's decisions on tomorrow and out through 5 or now 6 years. I would urge more concentration on the long term, because of the impact of the short term decisions on the long term.

Senator LOTT. Looking to the future, Admiral, what is your personal view about the role and the importance of the sealift capability given the dramatic changes in Eastern Europe, and what we may be doing? Is there not going to be an increased need for this sealift, or fast sealift capability? Are we really doing anything about it?

Admiral CROWE. I would agree with the thrust of your question, Senator, that I think there will be—particularly if we draw down our overseas deployments, et cetera, we will go more to a continental U.S. deterrence strategy or even a mobilization strategy. Then the emphasis on sea and airlift will go up.

I read about the C–17's possible demise. I personally think the C–17 is a very important program. And of course, historically, many times I have expressed my very, very high concern about the state of our merchant marine. We need a better merchant marine policy in this country.

Senator LOTT. But, Admiral, I have been in this city 20 years, and we have been saying that for 20 years. We have not done anything.

Admiral CROWE. I understand that, Senator.

Senator LOTT. So, you do think this is an area that we should give some priority consideration to in the next few years?,

Admiral CROWE. Absolutely.

Senator LOTT. Thank you, Mr. Chairman.

General JONES. Senator, I might say with that regard, in the early 1980s, we were able to get some SL–7s into the fleet, into the merchant marine and to modify them but nothing else has been done. The other day somebody said, they could not even find the person in the Pentagon responsible for pushing that area.

I would subscribe to what Admiral Crowe said. I think that we have a larger military today than we can get to war. One time when I was out in Colorado, I said that Camp Carson could not fight other than in Wyoming or New Mexico or Kansas. If its division was to be moved as part of the flow of the military, we do not have the airlift or sealift.

Admiral CROWE. Actually, the available sealift for the military within governmental control has improved consistently and steadily. It is not true that the last thing done was the SL–7s. They were a tremendous quantum jump forward, but we have made steady and consistent progress ever since then in terms of lift capacity.

But the fundamental base, maritime base, upon which all this rests, which is our merchant marine, is very worrisome, very distressing.

Senator Lott. Thank you, Mr. Chairman.

Chairman Nunn. Thank you, Senator Lott. Senator Gore.

Senator Gore. Thank you very much, Mr. Chairman.

I apologize to our witnesses for being drawn away from the hearing room for part of the testimony. But I have been filled in on it, and I want to express my appreciation to all three of you for your many years of leadership and your willingness to continue helping the country to think through these matters.

I just returned from 8 days in the Soviet Union, which included some talks with Akhromeyev and Shevardnadze and President Gorbachev. With them and a number of others, I had an opportunity to talk about their ideas on the long-term strategic balance. Several of them—I do not include President Gorbachev in this comment—but several of their analysts have the view that the long-term end relationship, assuming that we do not get to the complete elimination of the nuclear weapons, are not really serious about that. I mean, they would not admit that. But they see a world with nuclear weapons for a long time to come, as we do.

Their view is that eventually we ought to see several hundred single warhead mobile missiles on each side for the land-based component and whatever else exists. There is an enthusiasm for submarines as well, maybe not matching the enthusiasm of Admiral Crowe for submarines, but it is there. And one of them, when I got to the point in the discussion where I said, well, do you think that single warhead mobile missiles ought to be the mainstay of the deterrent force in the future, he responded by saying, well, of course, that goes without saying. And I responded that I wish it went without saying here in the United States, but indeed that debate continues. General Scowcroft agrees strongly on that point, but the debate does continue.

I agree with the comments reported to me from the three of you that a trade of the MX—rail mobile MX—for the SS-24 makes sense. I found a great deal of interest in and enthusiasm for that particular idea in the Soviet Union as well. It is a natural trade. If their generals are convinced that it is actually a system for a system and not a system for a blueprint.

On the question of what the end state is, it is important because the fears of attack, even if they are partly irrational can, at any given moment, poison even an improving atmosphere. And with a different set of leaders, a fear of attack coupled to an advantage one side could gain from such an attack can undo many of the improvements and advances we have seen. That is why they are thinking about an end relationship with a few hundred single warhead mobiles on each side.

What would you believe, the three of you, ought to be the bottom line assuming continued improvement in the relationship, assuming deep reductions in strategic forces, what should the end relationship be? How low could it go, and what should the interrelationship between those remaining residual forces be, what principles should govern their design—obviously stability is one of them—and what should those residual forces look like?

General JONES. I think that is a very difficult question to answer.

First from the Soviet standpoint, they have a single warhead mobile missile, and so it is kind of easy for them to advocate what they already have, especially when the other side does not have any. I could get a little more enthused about a Midgetman if I thought that going for a small number of Midgetmen would result in their elimination of their ICBM force. If they would eliminate their SS-24s, eliminate their SS-18s and eliminate all of their fixed base systems, and go with a small number of mobiles.

But I think there is one thing we should think about if we go to lower levels. We ought to look at as to whether or not a triad at small levels is still necessary and warranted. I think it is at current levels and at the START levels, but at much lower levels I would question whether or not we should go to a diad. Maybe the ICBM would be the system that we would not build. I think our decision on that is way downstream as to whether or not we would even think about going to a diad. I would not want for us to go to a force that is almost solely or primarily based on a small number of mobile ICBMs.

Senator GORE. When you arrive at a point downstream depends not only on the distance, but on the swiftness with which the stream is flowing. We may arrive at these decision points much sooner than we have been accustomed to thinking.

General JONES. The point I made earlier is that the problem I have had in all the time—and I have been involved in strategic operations for 40 years—we tend to look at the next step without ever looking at what we want to achieve ultimately or very little of that ultimate look as to where we and the Soviets want to be with strategic forces out ahead.

Every once in a while we get a study that says this or that, but then the arms control negotiations are on the next move as opposed to thinking about does this lead to the next, the next, the next one in a way that makes sense.

Senator GORE. General Vessey.

General VESSEY. I do not think we are in a position to answer that question right now, what the bottom is. I think that the track where we are on now is the right track to help lead us to be able to answer those questions. In the first place, I am not sure we can have a few hundred single warhead missiles mobile in this country. I am not sure we are prepared to do that.

Senator GORE. May I interject at that point. The Air Force process identifying military reservations with more than sufficient patrol areas to assure survivability without any public interface, has proceeded pretty successfully. I just wanted to interject that point.

General VESSEY. I understand that, but I would just simply say the degree of mobility that the Soviets would have is probably greater than ours. It may not be in the future given political developments in their country.

General JONES. If I could just interject one point—as the person who tried to sell the mobile MX, I was confident we had the problem solved on military reservations also.

Senator GORE. I remember that.

General VESSEY. But the other thing I would say is that you can see going to 50 percent of the present warhead levels without any great difficulty.

We have to ask ourselves the question when do we get so low that nuclear war again becomes potentially an attractive alternative by a few changes; that is, a little cheating or a little technological advantage or something like that. It is a very important question to answer. I do not know what the answer is, but we need to work on those questions in the years ahead. We have time to work on them, I believe, but as you say, things may move faster than we really expected them to move. But, if they do, we will have what we have. We will have to make that do, at least for the time being. So, we need to work. As I said in my opening statement, we need to ask ourselves what is the role of nuclear weapons in the strategic equations and the general defense security equations for the years ahead, and not just strategic weapons, but tactical weapons and naval weapons as well.

Admiral CROWE. Senator, I cannot answer the question in detail. I think we have all agreed at the table that we would prefer a world without MIRV mobile missiles. We did arrive at that conclusion. But if you try and jump to the point that you are talking about, you must make some assumptions about money. It is not just totally a theoretical exercise about nuclear war, et cetera, et cetera.

And looking at the climate today, I think you have got to assume, first of all, we are going to have a lot less money for defense. You could, of course, increase and enlarge the proportion of your budget that will go into strategic systems. I am not so sure that would be wise to do, but if you keep it in roughly the same percentage or proportion it is now and you have less money, then you are going to be looking for cost-effective alternatives rather than just survivability and so forth. And that is the kind of question and problem that the planner of necessity is faced with. In fact, that governs my attitude. If we did not have the money constraint, I probably would reach a completely different conclusion.

Senator GORE. Mr. Chairman, my time has long since expired. If I could make just a very brief closing comment. I appreciate the hearing today and the questions and responses.

I think we are going to have to analyze these end states pretty quickly and as these gentlemen have told us, when we get to the point where we have to make decisions, we have to deal with what we have available to us. That argues very powerfully for keeping some options open, and particularly where the Soviets have identified a path to stability which is attractive to them and their preferred outcome, for us to prematurely close off that path would seem to me to be very unwise.

And so I hope that the single warhead mobile option is kept open as a path toward stability as one of the most likely end states that will give us stability for in the long-term strategic relationship. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Gore. I think we have to somehow come to grips with what we see as the realistic case down the road and what can be achieved in arms control. If we do not do that soon, if the administration goes for simply an interim-type

START agreement based upon the current plan with no changes relating to banning mobile MIRVs, then the premise on which an awful lot of people voted for two missiles last year is gone.

I sold a lot of people—and there are people on both sides of this issue, no doubt about it—on the basis that I thought a ban on mobile MIRVs was going to be forthcoming from the White House in terms of a proposal. There is no way that I could support two missiles this year with the current arms control position we have, and we are all going to have to think it through together. But I hope the administration will go for a qualitative agreement that has a strategic rationale rather than a June summit agreement on START that may not have any logic and may indeed—may get us into a situation where we lose the consensus here on Capitol Hill to the extent there is one, and that is very hard to get.

Senator GORE. Would the Chairman yield briefly?

Chairman NUNN. Yes.

Senator GORE. I think that narrows the options to two. Either there will be two missiles with a qualitative change in our strategic policy and the arms control position specifically, or there will be no missiles. That is the political reality. There is either two with the change in the arms control approach or zero without a change in the arms control approach. Unfortunately, I think that is what the options have now narrowed to.

Admiral CROWE. Senator, do you mean if we went back to zero, you would not advocate that we try and ban mobile missiles?

Senator GORE. Let me hear that question again. If we what?

Admiral CROWE. Well, if we decided that we would not field a mobile missile of our own, I would think that we would want then to go into the arms control talks with a position to ban land-based mobile missiles.

Senator GORE. Well, that has been our position, and I think that that points us toward an SDI approach for survivability that is not feasible financially or politically, and I think it closes off an option for a survivable stable force.

Admiral CROWE. But you are surmising that we may not be allowed to field a mobile missile, but permit the Soviets to do that.

Senator GORE. No. I do not think it is in our interest for them to have mobility and us not to have mobility.

Admiral CROWE. I thought that was the alternative you were suggesting.

Senator GORE. No. I am saying that as a practical matter in the dialogue between the Congress and the President, if one of the two is chosen, I do not think either of them gets approved. I think that is political reality.

I think the path which would lead us to a successful outcome would be the kind of change in the arms control approach that Chairman Nunn is describing with continued support for a package that gives us a stable outcome. I think that is the direction in which we ought to head.

Chairman NUNN. Senator Exon.

Senator EXON. Mr. Chairman, thank you very much. Let us try and put this whole matter in perspective.

I am not against research and development on Small ICBM because whether we ever put it on a mobile missile or not, because I suspect that if an arms agreement is signed sometime in the summer that the Air Force immediately will start taking out some of the Minuteman IIs because they need repairs.

And maybe through modernization we could use the so-called Midgetman either as a replacement for the Minuteman II or making it mobile. And so, I can support some research and development. However, when we talk about dealing with the Soviet Union even though they have shown some rather surprising attitude with regard to reduction of conventional forces, they have not been as forthcoming on the modernization of their ICBMs and, if anything, they seem to be strengthening their strategic forces.

When we get down to this matter of tradeoff with the Soviet Union, despite what they tell us in private conversations—and I do not disagree with that—but as I understand it at the present time, the Soviet Union has 308 SS-18s. The only thing that we have that matches that land-based MIRVed ICBM is the MX, and we have 50 of them.

Now, if we get a START agreement, of course, that is going to allow each side to spread their 3,000 missiles or 300 mobile missiles however they want to. All I am saying is that when we talk about getting the Soviet Union to give up 308 missiles presently deployed against our 50, we are in an extremely difficult negotiating position, I would think, given the strength of both sides in this area. And so, we cannot just talk about what would be nice. We have got to talk about what likely would be rational and therein lies the problem—some of the hopes that we have are not as likely to be fulfilled, I suggest, if we look at the facts.

Let me go to the B-2. Each one of you were Chairman of the Joint Chiefs at some stage. You were Chairman, I suspect, General Jones, from the beginning of the B-2 and maybe it even preceded your term as Chairman of the Joint Chiefs, but what do each of you think about the B-2? Do we need the B-2? If so, how many do we need? I would express a caveat that you might not be fully up to speed on all of the very latest considerations, but you have a general understanding of the program and its policies.

Let us assume, for example, that the B-2 would pass through all the hoops that we have suggested that it has to go through, and let us assume that the B-2 in which we have invested about $22 billion, passes through those hoops from the standpoint of whether it could penetrate the $300 billion Soviet defense array. From what you know now, do you think we need a B-2 if it operates as programmed and if so, how many?

General JONES. I was in on the birth of Stealth, and I have been a supporter of the B-2, and I continue to be, but I would like to wait for Secretary Cheney's examination and report. I doubt if we will ever go to the 132 or 134, whatever the total number is.

I think it is a vulnerable program if it does not get through every hoop, but as of now I would continue it. Before you make your 1991 decision, examine it well. Consider Secretary Cheney's report and look at it in competition with other military needs.

Senator EXON. General Vessey.

General VESSEY. I would give exactly the same answer, that the Secretary of Defense is going to examine it, and we need to see the answers to that examination.

The concept of having a Stealth bomber is one that I have supported and would continue to support. Whether or not it is going to get through the hoops, as Dave says, is a question that has to be answered. You kind of choke on the cost, but you recognize that if you kill the program today, you are going to pay $200 million apiece for 132 bombers that you do not get, and I would sure choke on that. So, what the right number is, all that has to fit into this larger examination of our look at strategic systems in the world ahead.

I do not think we are prepared to answer that question right now.

Senator **Exon**. Admiral.

Admiral **Crowe**. Well, I concur, and I think that again, you should expand this examination to the diad/triad. If you do not have a B-2, you are probably going to go to a diad. Is that what you want?

We have even discussed, at least by implication here, the possibility of laying down the land-based missile leg sometime in the far future. So, then, if you do not have a manned bomber leg of the Triad, then you have got a monad. Our actions really must be coordinated with what you are going to do in the whole strategic deterrent concept.

Senator **Exon**. Gentlemen, one of the latest new bombshells that has hit us with regard to cost is the fact that the Air Force is now saying that they need somewhere between $1 and $2 billion for specially constructed air conditioned hangars for the B-2.

In response to my question yesterday, the Secretary of Defense said yes, these hangers are going to have to be constructed. I do not understand why we could not take the B-52 hangars and modify them in some manner or run an air conditioning hose into the operating compartment of the B-2 if necessary while it is on the ground.

The Secretary said that that airplane, because of its construction, just could not stand out in the sun as does the B-52. I guess that is beyond the full comprehension of a layman like myself, but I cannot imagine that the B-2 is such a fragile aircraft that we have to spend that kind of money between $1 billion and $2 billion to construct special hangars.

Was there any consideration of this requirement and its cost early on in this program?

Chairman **Nunn**. For $500 million do you think it ought to come with an umbrella, Senator Exon? [Laughter.]

General **Jones**. That was never raised, to my knowledge. I always have had a concern that whether or not Stealth would continue on an aircraft that is flown and used week after week, month after month, year after year, so there was always that in the back of my mind.

I understand that in the Stealth we have had so far, we have been able to work that problem, but the other Stealth vehicles are much smaller than the B-2. It seems to me this is one of the hoops.

What is the possibility of deterioration over time and maybe some tests now should be undertaken in that area and maybe they are being taken with regard to B-52 hangars. Most of our B-52s sit out in the open. We have only hangars for those that are on maintenance and even then, they do not cover the whole B-52. And so unless you disperse them, which is very costly, all over to twos and threes, and even then you would have to make major modification to those B-52 hangars. I do not think the solution is to go to B-52 hangars.

I think it is something the Congress ought to look at. What is the cost and what is the potential deterioration of Stealth. We have done well on the SR-71, but they were very small in numbers and worked on them very carefully.

Senator **Exon**. General Vessey.

General **Vessey**. That is beyond my level of competence, Senator.

Senator **Exon**. Admiral Crowe.

Admiral **Crowe**. I am not familiar with this.

Senator **Exon**. Thank you, gentlemen. Thank you, Mr. Chairman.

Chairman **Nunn**. I am reminded of your joke, Admiral Crowe, about ask me an admiral question. I tell that one often.

Let me try one more on the strategic business. Suppose—and I know this would be a far-out proposal at this point in time, but I am not sure how far out it really is if you think it through. What I am worried about is the talk about triad and diad. With the problems of the B-2 now and the problem with the land-based missiles now, I am afraid we are heading for a monad, if there is such a word. We have got problems with two legs of our triad, if you consider that.

The B-1 is not a long-term penetrator. Of course, the B-1 is a standoff carrier, and it is going to be a good one for that, and so I am worried about that. But let me just try this on you and see if we can develop any more consensus because we are going to have to develop something different than we have now on this land-based missile situation in terms of a strategic concept if we are going to move forward as a country. It is just not going to happen based upon last year's situation. That is not going to happen again in terms of supporting two missiles with the same arms control position.

Suppose we offered to the Soviets that we will get rid of our MX, not just the mobile part of it, the whole missile, everything, if you get rid of the SS-18s and the SS-24s. Now, you would have to calibrate the time. You could not do it all at once. Neither side would be willing to do that and let you keep their SS-25s. Would you go for that kind of deal, General Jones?

General **Jones**. Without having looked at it in any detail, giving up 50 MXs for 308 SS-18s plus the SS-24 looks like a pretty good deal.

Chairman **Nunn**. But they would keep the SS-25.

Admiral **Crowe**. We are really talking about 154 SS-18s.

Chairman **Nunn**. I am not sure of the number, but they are spending a lot of money modifying those SS-18s. We are in a different environment now, and if what Senator Gore said is accurate and they really do want to move toward a single warhead mobile MIRV regime, then this would be a sweeping way to get there.

General **Jones**. I think we said we would support the MX in trade for the SS-24.

Chairman **Nunn**. I would, too. I would agree with that.

General **Jones**. For 50 MXs to get rid of the entire SS-18 force—whether it is 308 or post-START 154—that probably would be worth exploring.

Chairman **Nunn**. I am not saying that we tell them that is going to happen within 3 years. They have got a big investment in land-based ICBMs. You would have to calibrate.

What you would be doing is leapfrogging. You would be leapfrogging to a long-term proposal and then negotiating how you get there instead of having no strategic concept and only making tactical proposals. I am saying get your strategic concept out there on the table and then start deciding how you are going to get there and getting there is not going to be that easy, but the way we are going now, I do not see how it is in anybody's interest.

You made the point if we get rid of both of our mobile missiles, we certainly do not want them to have their mobile missiles although we told them in 1983 with the Scowcroft report that is what we wanted them to do, and it was going to be stabilizing. And now that they have built theirs, we have decided that maybe that is not the way to go.

I am just saying why do we not reverse the thinking in arms control and arrive at a concept now and then start negotiating as to how you get there. I just think it is worth thinking about.

General Vessey, do you have any thoughts on that?

General **Vessey**. Well, I would agree with what you last said, that it is worth thinking about and examining but, again, let us look at it in the context of the total position in arms control and how we expect our forces to come out in the long run.

Chairman **Nunn**. Well, you certainly have to go into the sea launch cruise missile as part of the equation, but I am just trying to deal with the land-based part of it right now.

Admiral Crowe, how do you feel?

Admiral **Crowe**. I would think it is eminently worthy of consideration, Mr. Chairman.

General **Jones**. Senator Nunn, on the issue of mobile, if I were a suspicious person, I would wonder if some people who would be just as happy to have all mobiles disappear because that gives a better rationale for SDI.

Chairman **Nunn**. I would have to believe that you are a suspicious person in that you have concluded that, and so have I.

If you put them all in silos and make them all vulnerable, then that makes the case for spending $50 billion on SDI rather compelling, or $100 billion or $200 billion.

General **Jones**. I do not think it makes a good case, but people will use it.

Chairman **Nunn**. I am sure that that has been the second agenda of a good number of people.

Any other comments on this subject or do any of you have—Senator Exon, do you have any other questions?

Senator **Exon**. I have nothing further, Mr. Chairman.

General **Jones**. I do not think anybody is advocating going to a diad or the point you are making unless we get down to very low numbers in START IV, and we do not know what that number is. But at some point it is worth exploring as to whether we need a triad or a diad, taking into consideration vulnerabilities and all the other factors.

Chairman NUNN. I am certain I still believe in the triad. I hope that we can maintain the triad for the next 5 to 10 years. It is going to be important. And beyond that, who knows.

But if we are going to have vulnerable missiles sitting in holes that make an attractive target on both sides and make stability or lead to instability, then a triad that is not stable that leads to the temptation for somebody to say in a crisis situation there is an advantage to striking first to me is worse than having only two legs of the triad. And so I just do not know where we are going to end up. I can assure all of you, though, we are going to be calling on all three of you for more advice as this budget process goes on.

I would like for you to consider yourself an honorary group of advisors to this committee because you are all men with vast experience. You have made tremendous contributions to our national security. I have known each of you personally, and I also know you to be men of tremendous integrity.

Sometimes the American people do not fully realize the very high caliber of military leadership that we have been blessed with in this Nation, and I count you three as right at the top of that list. And so I thank all of you for being here.

General Vessey, I have got to ask you one other question before we go.

There are a lot of people that I think are still concerned about our MIA, missing in action in Vietnam, and I know that you have been most active in that. A report now from you on that would be helpful to this committee and I am sure many interested people who will read about it.

General VESSEY. Mr. Chairman, as you know, I have been involved in active negotiations with the Vietnamese now for, well, 2½ years.

In the past year or year and a half, actually, we have moved along much farther, I think, than people expected us to move, but perhaps not as far as all of us hoped we would move. The Vietnamese agreed to joint surveys and investigations of the so-called discrepancy cases—those cases where we believed the serviceman was alive when we last saw him, that he likely came into the hands of the Vietnamese, he did not come back when the prisoners came back in 1973, and his remains have not been returned and no explanation has been given.

Of course, this in the background of the Vietnamese maintaining for 17 years that they hold no live prisoners and that the intelligence data that we have other than some as yet unresolved live sighting reports generally does not show a great deal of evidence beyond the point when we saw these people alive from 17 to 25 years ago.

So, the Vietnamese agreed to joint surveys and investigations of each of those cases to shed light on that live prisoner issue. Last year we had about 17,000 man-days of U.S. investigators in Vietnam investigating those cases. We have gone through the first 70 discrepancy cases. We have resolved clearly, I think it is 19—and do not hold me to the exact numbers—of those because we have had their remains returned since then. And, of course, we have had remains of a lot of other servicemen returned, too. But, of the discrepancy cases, 19 have had their remains returned and been identified and released to their families.

Of the others, many of them, the evidence we gathered points toward the death of the serviceman, and we have found no new evidence that he was alive. There is some group—and I am not prepared to say exactly how many, but it is a fairly large number in that group—that all the evidence we gathered tends to support the earlier presumptive finding of death in those cases. There are a few cases where we found no new evidence. That is, we do not know any more now than when we started the investigation. We found no new evidence that the man was dead, and we did not find any new evidence that he was alive.

Senator EXON. What is a few, general?

General VESSEY. Around 10. At the end of October, I was in Hanoi and the Vietnamese agreed to do additional research on many of these cases with which we were unsatisfied with the results of the investigation.

That is, what we urged them to do is to get into their wartime records and make a concentrated search of their wartime records to see if we could not shed more light on these cases. They also agreed to reinvestigation of some of those cases.

I also laid out an additional set of cases that fall into the category of discrepancy cases, including a number of cases where our people were lost on the Laotian side of the border, but lost in areas then under control of the Vietnamese. We have not worked out a way to do the field investigations of those cases, but the Vietnamese did agree to do the record research and investigation within their own system to try and help shed light on those.

We have just concluded a series of technical talks in Hanoi a couple of weeks ago, and the results were kind of spotty. We got some information back from some of the investigation they had done, and we are in the process now of examining that to see where it goes. We are also in the process of setting up the next round of field investigations.

So it is moving along. It is moving along slowly. The Vietnamese say they want to resolve the issue, and I must say that their actions tend to support that.

As you know, there were a number of other humanitarian issues that I took up with them. The resumption of the orderly departure program, that is moving along now. I was to try to get the former South Vietnamese officers and government officials out of the so-called reeducation camps, the prison camps. The Vietnamese say they are all out now, with the exception of a handful of what they call real criminals, and we have completed negotiations, or at least have negotiations underway to get those people and their families out of Vietnam and into this country. We have had an extensive program underway to get the Amerasian children out of Vietnam.

So those humanitarian efforts have moved along. I must say, on the POW/MIA business it has not moved as rapidly as I had hoped it would move, but it is moving.

Chairman NUNN. On the POW/MIA item, how would you rate the Vietnamese cooperation now? How would you describe it?

General VESSEY. Well, I guess it is sort of like negotiations in arms control or anything else. You go in and you get an agreement, and as we went through the first year or so of that, I guess on our side we thought they did about half what they agree to do, and I guess from their side they looked at it and they thought they did about two times what they had agreed to do, and so maybe it was right down the middle. They want to resolve the issue. I continue to believe that they can be more forthcoming than they are, but we are moving.

Chairman NUNN. General, can you tell us in your own subjective judgment—and I know that is what it is, and if you prefer not to do this I understand it—what are the chances of us finding now that there is a POW that is still living?

General VESSEY. I have refused to conjecture on whether or not there are live Americans there, because I figure that the number one part of my job is to find that out, and if I start conjecturing maybe that will color the way I do my job.

Chairman NUNN. You have not given up on that?

General VESSEY. I have not given up on that, but I would tell you that we are going through the cases based on what we believe to be the highest probability of the person being alive. And if you just say we have gone from the top down to the middle of the group, we now have about 158 cases, and the evidence has not pointed toward any of those people being alive. The probability is clearly lower now than it was earlier, but I figure that the job that I have and the people who work for the Defense Department who pursue this thing in the field, is to find the answers in ~~each~~ one of these individual cases.

Chairman NUNN. You are not going to give up hope nor effort until you have exhausted——

General VESSEY. No. We are there to push the Vietnamese to get the answers, and as you know, both the present President and the previous President have promised consistently the fullest possible accounting for all the missing, not just these high probability discrepancy cases. We want to find out what happened to the whole batch of people who are yet unaccounted for, and so we have continued to raise that with the Vietnamese and they understand that that is our goal and we want to get on with it.

Chairman NUNN. Senator Exon.

Senator EXON. General Vessey, you mentioned the figure 10 a little bit ago. In your best judgment, now, does that mean that there are 10 people that you believe there is some chance could be found alive? Ten is all? Is that what you meant by that?

General VESSEY. No! No! No!

Senator EXON. What is that 10?

General VESSEY. The 10 are—it is around 10 of the first 70 cases that we have investigated, on which we conducted field investigations. We are totally dissatisfied with the results of the investigation. We did not learn anything. We know now exactly what we did when the person first disappeared. That is, that we last saw him alive and he looked like he could have become a prisoner of the Vietnamese. We have investigated those cases in the field and we do not know any more about it today than when we started.

What we did was go to the places where we last saw the man alive. If you go to a village where an airplane was downed and then you are likely to find the guy who was the village chief or something like that, and find some records there. But if you go out where there was a battle, and you talk to the people who are there today, they were not there during the battle, and so it is pointless talking to them. What we need to do is talk to the guys that were in the fight. There are those sorts of cases.

Senator EXON. What is the number, in round terms, that you think have a possibility—in other words, that they could be alive, or do you not know? Was that your 154 figure?

General VESSEY. There are 158 of these discrepancy cases we have given to the Vietnamese. We said that these are cases where we last knew the person to be alive, and we think he came into your hands.

There are many other cases of the 2,330 or so that are unaccounted for wherein we do not know anything about what happened to them. They disappeared off the radarscope. So sure, they could be alive too, but we do not have any evidence pointing to them being alive.

Senator EXON. Well, I think you have done a very good job in this area, and I congratulate you on it once again.

There were two recent developments, two Japanese that you read about in the paper who were found in the jungles down there in the South Pacific some place and thought that the war was still going on. I understand they took them back to Japan and when they showed them the Japan of today they could not believe that Japan lost the war. I can understand that.

Second, there was just——

Chairman NUNN. We are reexamining as to whether they did or not, I can tell you that. [Laughter.]

Senator EXON. There was just a happening in Nebraska the other day where a Nebraska soldier that had defected in World War II and who had been living in East Germany all these years finally came back and was arrested when he got off the airplane in Omaha, Nebraska.

I do not know whether the people knew that he was over there or not, but I suspect that there may well be some soldiers over in Southeast Asia somewhere that might be plowing around in those jungles. That is a possibility, is it not?

General VESSEY. I have spent a dozen years in East Asia, and every time I think I begin to understand something about that part of the world something happens to shatter the illusion, and so I would say that yes, all those are possibilities.

Senator EXON. One last question. Of the remains that we have had returned—and there has been a series of these—do those remains indicate that those individuals died before the end of the war, or is there any indication that some of them died afterwards, in prison?

General VESSEY. Well, I cannot answer that question with any great accuracy.

The remains that have been returned have been in a wide variety of conditions. Of course we have got some very wonderful experts out there in the Army Central Identification Laboratory in

Hawaii who have made great progress in the identification of human remains, but many of these remains, you know, come in little bits and pieces and so forth, and it is very difficult to sort out what happened.

But I will say that the Vietnamese have returned a number of remains and then have explained what happened to the person. The examination of the remains is consistent with what might be a logical extension of what we knew and what they say.

Senator EXON. Have you had any cases at all where it was suspected that maybe this individual was indeed held for 6 months or a year?

General VESSEY. I cannot answer that question. I have not really delved into that, and I look at the mission as finding out—resolving the fates—what happened to our people. That is, they are missing and unaccounted for and if we get the remains back, they are accounted for. I have just not seen it useful from the point of view of my negotiations to even ask those questions now, and I do not know that we know. You would be better able to get the answers from the Army and the Central Identification Laboratory.

Senator EXON. Thank you, General. Thank you, Mr. Chairman.

Chairman NUNN. Thank you. General Jones, General Vessey and Admiral Crowe, we thank you and we hope you will continue to bless us with your advice.

[Whereupon the hearing adjourned at 11:46 a.m.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

TUESDAY, FEBRUARY 6, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

IMPLICATIONS OF CHANGES IN THE SOVIET UNION AND EASTERN EUROPE FOR WESTERN SECURITY

The committee met, pursuant to notice, at 9:36 a.m., in room SR-222, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Levin, Bingaman, Dixon, Wirth, Shelby, Thurmond, Cohen, McCain, Wallop and Gorton.

Staff members present: John N. McConnell, system manager.

Professional staff members present: Robert E. Bayer, Robert G. Bell, John J. Hamre, David S. Lyles, T. Kirk McConnell, Michael J. McCord, and William H. Smith.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; George W. Lauffer, and John E. Mansfield, professional staff members.

Staff assistants present: Mary J. Kampo, Claire M. Kelly, and Melissa A. Ramsey.

Committee members' assistants present: Andy Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; Melvin G. Dubee, assistant to Senator Byrd; James M. Bodner, assistant to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Lee W. Whittaker, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT BY SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

The Armed Services Committee meets this morning to continue our hearings on the implications of recent dramatic changes in the

Soviet Union and Eastern Europe for the national security policy, our military strategy and ultimately our defense budget.

Over the past 2 weeks the committee has received testimony on the military, political and economic consequences of these changes from representatives of the intelligence community and three U.S. private experts, from four European and Japanese experts, and from NATO parliamentarians from the Subcommittee on Defense Cooperation of the North Atlantic Assembly.

We also heard testimony from former Secretary of Defense James Schlesinger and from the last three chairmen of the Joint Chiefs of Staff on how the United States and our allies should respond to the Soviet threat economically, diplomatically and militarily both in the near term and over the long term.

Last week Secretary Cheney and General Powell presented the administration's 1991 Defense budget to the committee.

This morning the focus of our hearing is on the U.S. and allied response to the changing Soviet threat. Our witness today is well known to the committee. Dr. Harold Brown has had a distinguished career in public service, culminating in the service of Secretary of Defense under President Carter. Before that, he had been very, very active in defense, including the Secretary of the Air Force and many other jobs. He is currently the Chairman of the School of Advanced International Studies at Johns Hopkins Foreign Policy Institute.

Dr. Harold Brown is one of our Nation's most highly respected experts in the field of national security policy, and he has worked closely with the committee on many issues in the past.

Harold, we are delighted to have you here this morning, and we are particularly delighted to see you in such good health. I know you have been through a bout; we are really delighted you are back in full form.

Later this week we will hear from the Unified and Specified Commanders, and later this month former Secretary of Defense Frank Carlucci will testify before the committee.

Senator Thurmond, do you have any opening remarks?

Senator THURMOND. Thank you, Mr. Chairman.

Mr. Chairman, I want to join you in welcoming Dr. Brown to the committee. Dr. Brown has appeared here many times in the past, and I am very pleased to see him back and enjoying good health.

As you are aware, over the past 2 weeks this committee has focused on the changes which are occurring in Eastern Europe and the Soviet Union. These changes are occurring on a daily basis. Our previous witnesses have had the challenging task of incorporating these changes into their presentation. I am going to ask you to do the same, and I hope you will place some emphasis on what you feel is currently happening within the Soviet Communist Party and what the implications of these changes are on the relationship between the United States and the Soviet Union, Dr. Brown.

Mr. Chairman, the hearings of the past 2 weeks have been most helpful in putting the dramatic changes in the Communist world into focus. I realize that the committee has a full slate for the next 6 months. However, because of this continuously changing situation in Europe and the Soviet Union, I hope we will have the opportunity to schedule further hearings on this subject later in the session.

I am fearful that if we do not take time for additional updates on events in Europe, we may make our decisions regarding the defense budget on outdated information.

Thank you very much, Mr. Chairman.

Chairman NUNN. Thank you, Senator Thurmond.

We have three distinguished guests from the Soviet Union with us this morning. They are part of a forum on U.S.-Soviet dialogue. We are pleased to have all of you here this morning.

[The prepared statement of Senator Dixon follows:]

PREPARED STATEMENT BY SENATOR ALAN J. DIXON

Mr. Chairman, today is our seventh hearing on the changes in the Soviet Union and Eastern Europe. Our witness is Dr. Harold Brown, the former secretary of defense.

As I have stated before, our citizens in this country are witnessing a period of historic change in the Soviet Union and Eastern Europe. Congress and the President must work together to make fundamental changes in our force structure and our world-wide defense strategy.

We are at the beginning of an important debate on the future of U.S. defense policy. I look forward to hearing Dr. Brown's assessment today.

Thank you, Mr. Chairman.

Senator NUNN. Dr. Brown, we are delighted to have you here. Please proceed.

STATEMENT OF DR. HAROLD BROWN, CHAIRMAN, JOHNS HOPKINS FOREIGN POLICY INSTITUTE, SCHOOL OF ADVANCED INTERNATIONAL STUDIES, AND FORMER SECRETARY OF DEFENSE

Dr. BROWN. Thank you very much, Mr. Chairman, Senator Thurmond and members of the committee. I am pleased to be with you once again. In fact, I am pleased to be anywhere but I am particularly pleased to be here to testify on the subject of this hearing: how the United States should respond to the changes taking place in Eastern Europe and the Soviet Union.

Rather than read my entire statement, Mr. Chairman, I would like to talk through it and perhaps skip some parts to save some time. I will also note that this statement, written 10 days ago, is somewhat out of date! That is an indication of how rapidly things are changing. So I may want to interpolate an occasional remark to indicate how changes over the past couple of weeks alter our perceptions of the geostrategic situation.

During the past 5 years, the new leadership in the Soviet Union has been attempting to face up the systemic economic and political failures of the U.S.S.R. and to bring the Soviet Union into the 21st century as a postindustrial power by moving to a system that is more open politically and restructured economically. This has been accompanied by what the Soviets call "new thinking" in foreign affairs, including a deemphasis of the use of military power, or its threat for the purpose of political intimidation, as a component of foreign policy.

Clearly, the changes in Soviet policy are reflected in Soviet withdrawal from Afghanistan, the restructuring—limited so far—of Soviet forces, the beginning of carrying into effect the announced unilateral Soviet force withdrawals from Eastern Europe, and, most of all, the changes in the political structure of the Soviet's Warsaw Pact allies. These latter changes have substantially reduced the threat of a Soviet attack in Central Europe.

In my view, at least since the mid 1960s and especially since the Berlin accords of 1971, the probability of a Soviet attack has never been high. Nevertheless, the size of the stakes involved and the nature of the military and political situation in Europe have required that U.S. force structure and overseas deployments be directed largely at deterring or, if necessary, fighting a European war.

The reasons for the importance of Europe to U.S. security are obvious. Even before the current wave of economic consolidation there, it was the largest concentration of advanced economic weight outside of the United States, and we could not afford to let it fall into unfriendly hands or be politically intimidated by an adverse military balance. So strengthening that balance and increasing the assurance of stability in that area was a central element of U.S. military planning during the 1970s and 1980s.

It was already true by the late 1970s that the non- Soviet Warsaw Pact forces could not be seen by the Soviet planner as fully reliable in that planning. As a result of the events in the last six months, however, it must now be clear to Soviet military planners that they could not count on the non-Soviet Warsaw Pact forces from the beginning in any attack on NATO. Indeed, they could not even count on them before such an attack. A hostile populace and the possibility of armed resistance, however overmatched by Soviet military forces would have to be considered by Soviet military planners under current circumstances. This would add to the warning time which U.S. intelligence already estimates to have increased substantially from what was believed to be the case in the 1970s. It would make the process of an attack itself much more difficult and extremely problematic in outcome.

We should insert two cautions here, at least. First, although the political change in Eastern Europe has been revolutionary and that in the Soviet Union substantial and remarkable and its consequences on the military balance as it now stands already very significant, the further changes that we anticipate in the disposition of Soviet military forces have not yet happened. We should plan for them. Our policies should be such as to encourage them. But we should not act as if they have already taken place. Moreover, some degree of reversal is possible. I do not think the Soviet Union can ever go back to being what it was in the days of Brezhnev, let alone Stalin. Whether the Eastern European countries will move toward a Western European model politically and economically or whether they will prove much less stable with ethnic and nationalist conflicts causing strife within and among them is not at all clear.

Developments in Eastern Europe are likely to have an influence on Soviet foreign policy. Developments within the Soviet Union itself will be even more important in determining future Soviet attitudes toward the European security situation. A peaceful and face-saving solution to the aspirations of the Baltic states that does not trigger break-away movements elsewhere in the Soviet Union would reduce the likelihood of a reversal of the present and desirable Soviet de-emphasis of military power as an instrument of foreign relations.

That is a separate question, really, from that of whether, as some people claim, the destiny of the Soviet Union is to be reduced during coming decades to the original dimensions of the Grand Duchy of Muscovy. Though the degree and nature of the breakup of a sprawling empire will not in this case be determined primarily by outside forces, whether it proceeds and the nature and degree of such a fragmentation are important matters to the United States as well as to the Europeans. The prospects of a disassembly along the lines of what happened to the Hapsburg and Ottoman empires during the second decade of this century and also to the Romanov empire (although that was later reassembled) is a very different matter when the empire in question has tens of thousands of nuclear weapons.

How NATO responds to these changes cannot be separated from the question of what is appropriate to the evolution of U.S. security goals and strategies. Nor can the question of the future of Europe, both within and beyond the boundaries of NATO.

And at this point it probably makes sense to step back and think about where we would like to end up and work back from there. The architects of post-World War II U.S. security policy foresaw as a desirable outcome the containment of the Soviet Union, and they hoped for its evolution into a less confrontational state, the preservation of democracy and the achievement of prosperity in Western Europe, and a change in the status of Eastern Europe. After 40 years, all those now seem achieved or in the process of achievement.

And we really should recognize what a remarkable achievement it has been.

There are some analysts who say that we did not need the U.S. security policy for that to happen. We overreacted, we spent much too much money. We precipitated crises. I do not think it makes sense to argue that point. The fact is, and it is a fact, that U.S. security policy in Europe—over four decades in duration—has worked. Whether some other strategy would have worked, we will never know. What we should do now is accept and applaud the fact that it has worked, and go on from there and face the new problems that success has created. Success always creates new problems, but better problems, and we need to face up to them.

This situation, as I said, presents the United States and its European allies with a new set of problems and it requires the establishment of a new set of goals that may again take decades to achieve. A desirable outcome would be a situation in which the Soviet Union, whatever form its internal political and economic organization may take well into the 21st century, comes to behave as we look at it, as an ordinary nation. That means it would be trying to gain influence and prosperity in competition with others, and sometimes in cooperation with them, but not seeking revolutionary change in the world order.

Its very size as well as its history makes it difficult to contemplate the Soviet Union as just another European nation. It is even more difficult than in the case of Germany, to which I shall turn later. But the situation I described would not preclude some sort of

Soviet relationship to a European Community that included both Western and Eastern Europe. A relationship different from that of the United States to Europe, in view both of American economic development and of the history of the past 40-odd years, but not necessarily any longer an intrinsically adversarial relationship.

Eastern Europe in this picture would have developed as a set of relatively stable democracies, less developed economically than Western Europe, but gaining in prosperity, as the less-developed nations of Western and Southern Europe, Ireland, Portugal, Greece, and Spain—actually, Spain is moving out of that category into the developed category—have been moving in recent decades.

Achieving such an outcome will require the creation of a new European security situation that promotes political stability in Central and Eastern Europe, economic cooperation and free markets, and assistance to developing economies, and avoids military conflicts not only across the present East-West dividing line, but on either side of it.

Actually, it is notable that we properly discount, as a result of the political and economic successes of the past 40 years that have taken place in NATO and in the European Economic Community (and also because of the existence of nuclear weapons) any revival of the bloody conflicts that plagued Europe west of the Elbe among nation-states during the 600 years before 1945. Nevertheless, these welcome events in Eastern Europe have somewhat paradoxically made the political situation in Western Europe somewhat less stable than it was a year ago.

The United States and its Western European allies should recognize that NATO is going to have to change as the military threat changes—recedes—and as the political context in which NATO operates in Europe changes. It is possible that NATO as a military organization will be subsumed or even disappear, though I hope we will be cautious enough so that such an outcome is not imminent.

In any event, retention of a U.S. commitment to the security of Europe will continue, in my judgment, to be required into the indefinite future. But providing that the security threat from the Soviet Union continues to diminish and is reduced to a very low level, that political commitment could be met in quite a different way from the way we now meet it with 300,000 U.S. troops in Europe.

The singularity of nuclear weapons, which changes the security situation from anything before 1945, and distinguishes the post-World War II situation from previous European history, will require that the U.S. political commitment include a continued nuclear guarantee. But that political commitment should be able to be met with a much smaller forward deployment of conventional U.S. forces than is now the case. Correspondingly, the Europeans would assume a much larger fraction of such a reduced overall conventional responsibility than they carry even now. And even in the current situation they carry by far most of that conventional responsibility.

The United States would, in such a circumstance, have to be able to return significant air and naval forces and modest ground forces to Europe on moderately short notice. I say modest ground forces largely to satisfy the political requirement that the Europeans not see the United States as unwilling to carry any of what is regarded as the most punishing assignment. A rapid capability for such return in crisis would be essential because deterrence of whatever future political or military threat to stability concerns us is substantially a function of the perception of early commitment. But rapid would then mean weeks, not days, for the greater portion of that force. It might even be months, depending upon how the situation evolved.

I think that as part of the debate and discussion consequent on the changes in Eastern Europe and the Soviet Union we should tie down as soon as possible, with our allies, including Germany, the U.S. political commitment to whatever military involvement is necessary for future European security—what you might call post-Cold War European security and stability. It would include a nuclear guarantee and it would include a non-zero level of U.S. conventional forces in Europe. As you look out into the late-1990s, that conventional U.S. force might not have very much combat capability. It might be aimed largely at maintaining aerial ports of entry and seaports of entry, and possibly stocks of equipment, so that U.S. forces could be returned.

But I am worried that we are going to get into a situation where there is a bidding war for reduction in U.S. forces to lower and lower levels. And unless we set a non-zero level early on and say we are going to stick to it, the outcome is both clear and, in my judgment, not very good. Because the outcome of such a bidding war is inevitably zero. That is the lowest number anybody can think of, and it wins the pot.

We do not know how political evolution will proceed in Europe, especially in Germany. That evolution will affect European attitudes towards the presence of U.S. forces, but the United States should not precipitate a process that could lead to total withdrawal by initiating unilateral actions. Instead, any draw down of U.S. forces should be carried out at a pace and in an amount depending on joint U.S. and Western European political decisions, and in the light of actual Soviet withdrawals of their forces from Eastern Europe, including how many, how far and into what state of readiness or unreadiness.

To this end, agreements on arms reduction and confidence- building measures are the appropriate way to set levels of forces, locations of forces, time schedules, degrees of readiness, and for arrangement for verification of all of these matters. At least, that is the way to take the first cut. CFE I, as it has been called, is an appropriate way to proceed. After that, I think you may have a mixture of unilateral actions and agreements, but before that, rapid and unilateral reductions or withdrawals by the United States would carry a heavy risk of unraveling Western European unity, increase the chance for instability and greatly reduce U.S. influence on the political and economic evolution of Western and Eastern Europe.

Let me skip over some of these economic questions and come back to them in questions, if you like. I deliberately have not addressed until this point the specific question of U.S. force deployments and capabilities, and what changes, if any, should be made in the current situation. I wanted first to establish at least a preliminary context for such military force structure decisions.

As I said, I think we should proceed to reach an agreement on conventional forces this year in CFE along the lines presented by the Bush administration in May, adopted by NATO, and apparently consistent with Soviet proposals as well—and now as modified in the proposal made by the President in his State of the Union address last Wednesday. (Here is an example of how events are moving too rapidly for prepared testimony to be accurate when it is delivered.) There are a great many details to be ironed out, such as how to treat personnel and various aircraft categories. Because a deadline is dangerous, I would not set one, although I would hope for an agreement by the end of this year.

We should, however, already be thinking about what comes after. That depends on the political factors in Eastern Europe and what the Soviets agree to do with their own military forces. But further reduction over the period to 1995 or earlier, again depending upon those factors, should be possible by agreement with the Soviets and with our allies, while maintaining a U.S. force level in Europe that still meets the need of deterring potential threats from the Soviets and exhibiting a U.S. commitment to security, stability and peace throughout Europe.

For U.S. ground forces, that level could, for example, appropriately be two divisions plus the corps headquarters—either one corps headquarters, or two headquarters—as compared with the present level of two army corps, each with two divisions and an advanced brigade of a third corps, and three armored cavalry regiments. Corresponding reductions in deployed tactical air wings would appropriately be made at the same time. Of course, if any money is to be saved, the returned forces would have to be demobilized as provided for in the CFE discussions now going on, or transferred to reserve status. Some U.S.-based army and air force units now destined for rapid reinforcement of Europe can also be moved to the reserve or disbanded.

Naval forces assigned to, or earmarked for NATO as reinforcements have other actual or potential roles as well. Nevertheless, any lingering vestiges of a forward maritime strategy aimed at threatening the Kola and Kamchatka peninsulas ought now to be abandoned. Overall, I would think that 11 or 12 carrier battle groups would be the appropriate level, and zero battleships. In light of the lengthened warning time envisioned for Europe, fast sealift is the appropriate reinforcement mode for the great bulk of lift requirements there.

In some other parts of the world where the United States may need to project force, faster response may be required. This may be met by airlift and by forward-deployed logistic ships which could store duplicate equipment made available by demobilization of some forces, that equipment to match up with airlifted personnel.

The role of Germany in Europe following the collapse of the Soviet-Eastern European Empire is central to European security and stability. I'd like to turn finally to that question. Economically, Germany is already the leading European power. Whether East and West Germany are unified, federated, or neither—and it now seems likely that unified is the answer, although it is not clear in exactly what way or exactly how soon—the role of the Federal Republic will increase economically. Indeed, the Bundesbank, despite Mrs. Thatcher's manful efforts, already serves, to a substantial degree, as Europe's central bank. Moreover, an economic unification of East Germany with the Federal Republic seems quickly inevitable unless there is a substantial reversal of the events of the last 6 months in Eastern Europe.

Again the headlines, or at least the lead paragraphs, tell the story. The German Finance Minister is already talking about the Deutschmark as the currency for East Germany, well before political unification.

Chairman NUNN. Would you take that as the beginning of economic integration?

Dr. BROWN. Yes. That is probably the most important step in economic integration. In any event, German business and industry and German banks are likely to play an increasingly larger role in other Eastern European economies, larger than that of any other Western nation. Whether Germany goes beyond economic leadership to dominance depends on the integration of Europe, political to some degree as well as economic.

The symbolism of the political unification of the two Germanies, all but inevitable at some time and in some fashion, will heighten concerns about the potential of German domination of Eastern Europe, and the establishment of a common border with Poland could raise added territorial issues and potential political instability in Central and Eastern Europe.

We should not be misled by false historical analogies. The Federal Republic, even with East German adherence, is not Wilhelmian Germany, let alone Hitlerian Germany, but Germany has been the powerhouse of Europe since the 1850s and needs to be set in a larger structure if we are to avoid raising fears in Western as well as in Eastern Europe and the Soviet Union.

Several relevant structures now exist: NATO, the European Economic Community, the Western European Union—and in a much less developed form—CSCE, the Conference on Security and Cooperation in Europe.

The first, NATO, gives the United States a role. The last, CSCE, gives both the United States and the Soviet Union a role. Thus, it may alternately be the most suitable overall security vehicle for Europe, but would need to be very substantially developed to serve that purpose.

The Germans themselves will play the principal, but not exclusive, role in determining whether and how fast and through what phases unification may proceed. Elections in both the FRG and DDR this year, indeed in the DDR next month, are likely to center on the question of German unification, and popular feelings will probably force the issue. Though the four powers have a role to play in any peace treaty, U.S. and British and French leaders must not impede or be thought to impede the wishes of the electorate of the DDR and the FRG for unification if those respective elections in March and December indicate a decision to move in that direction. Otherwise we risk encouraging what we least want to see—a Germany that considers itself unfairly treated and resentful in consequence.

In any situation of opposing blocs, Germany is too large and too important to be neutral. If the political complexion develops during the 1990s in line with the goals I earlier set for 30 years from now, the Europe of blocs will change even more rapidly and various answers are possible. Until that broader context and those larger institutions begin to develop more reality and more strength, we should not lightly abandon present military arrangements.

The current U.S. and Soviet troop deployments can be greatly scaled down asymmetrically so as to reach a balance where no substantial military threat is posed, and the remaining numbers do not have to be equal. The relationship of the Soviet Union to its Warsaw Pact allies is not at all like that of the United States to its NATO allies.

We have already entered a new era in international security in Europe, although we do not understand the details or even some of the major aspects of its nature. We need to do a lot more thinking and a lot more consulting, but we need also to be flexible and agile, because popular movements in the tides of history do not always wait for the carefully laid plans of self-proclaimed wise men to mature.

Within the United States, a major element in meeting the challenges posed by the success of the policies established in the late 1940s is a restoral of the executive legislative consensus that produced those policies. We need such a consensus not only in security matters but also in economic and social matters, but I am speaking here of security questions, and so far as security is concerned, that consensus was severely damaged, even destroyed, in the mid- 1960s and thereafter. We must seek a new one, and I hope that some of my thoughts presented today contribute to such a new consensus.

Thank you very much, Mr. Chairman.

[The prepared statement of Dr. Brown follows:]

STATEMENT BY DR. HAROLD BROWN, CHAIRMAN, JOHN HOPKINS FOREIGN POLICY INSTITUTE, SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Mr. Chairman and members of the committee, I am pleased to be with you once again to testify on the subject of this hearing—how the United States should respond to the changes taking place in Eastern Europe and the Soviet Union. During the past 5 years a new leadership in the Soviet Union has been attempting to face up to the systemic economic and political failures of the U.S.S.R. and to bring the Soviet Union into the 21st century as a post-industrial power by means of a more open political system and a restructured economic one. This has been accompanied by what the Soviets call "new thinking" in foreign affairs, including a deemphasis of the use of military power, or its threat for the purpose of political intimidation, as a component of foreign policy. Evidence of such a trend had already led during the first half of 1989 to increased hopes for arms reductions, both of strategic arms and of conventional forces in Europe. During the past several months, popular unrest in Eastern Europe and the Soviet decision not to interfere to suppress it have brought about the collapse of the Soviet empire there. This ensures major changes in the force deployments, and probably in the nature, of the NATO and Warsaw Pact alliances, and will greatly reinforce existing pressures to reduce the size and cost of the U.S. military establishment.

Clearly the changes in Soviet policy (reflected in Soviet behavior in Afghanistan, the limited restructuring of Soviet forces and the start of announced unilateral Soviet force withdrawals from Eastern Europe) and—most of all—the changes in the political structure of the Soviets' Warsaw Pact allies have substantially reduced the threat of a Soviet attack in Central Europe. In my view, at least since the mid-1960s, especially since the Berlin Accords of 1971, that probability has never been high. Nevertheless, the size of the stakes involved and the nature of the military-political situation in Europe required that U.S. force structure and overseas deployments be directed largely at deterring, or if necessary fighting, a European war. Even before the current wave of economic consolidation in Western Europe, it was the largest concentration of advanced economic weight outside of the United States. U.S. security interests demanded that it not fall into unfriendly hands or be politically intimidated by a military balance that favored the principal geopolitical adversary of the United States. Moreover, there was a clearly defined line in central Europe across which adversarial military forces numbering in the millions and armed with thousands of nuclear weapons faced each other. Thus, strengthening that balance and increasing the assurance of stability in that area was a central element of U.S. military planning during the 1970s and 1980s. But it was already true by the late 1970s that non-Soviet Warsaw Pact forces could not be seen by the Soviets as fully reliable in their own military planning. In 1983 I wrote that "if a Warsaw Pact attack failed to achieve victory in even so short a time as 30 to 60 days, the stability of the Warsaw Pact, both militarily and politically, would come into considerable doubt." But as a result of the events of the last 6 months, it must now be clear to Soviet military planners that they cannot now count on non-Soviet Warsaw Pact forces from the beginning (or even before that) in any attack on NATO. Indeed, a hostile populace and the possibility of armed resistance, however overmatched by Soviet military forces, would have to be considered by Soviet military planners under current circumstances. This would add to the warning time, already said to be estimated by U.S. intelligence agencies to have increased substantially from what was believed to be the case in the late 1970s, as well as making the process of an attack itself much more difficult and extremely problematic in outcome. If events continue to move in their current direction, and the Soviets partially or fully withdraw their forces from Eastern Europe, that would further reduce the threat to NATO.

But at least two cautions are in order here. First, though the political change in Eastern Europe has been revolutionary and that in the Soviet Union substantial and remarkable, and its consequences on the military balance as it now stands already very significant, the further changes that we anticipate have not yet happened. We should plan for them and our policies should be such as to encourage them, but we should not act as if they have already taken place. Moreover, some degree of reversal is possible. I do not think that the Soviet Union can ever go back to being what it was in the days of Brezhnev, let alone Stalin. But whether the Eastern European countries will move toward a Western European model politically and economically or whether they will prove much less stable, with ethnic and nationalist conflicts causing strife within and among them, is not at all clear. It depends most of all on them, but Western European and U.S. economic and other assistance could play an important role, because economic disaster in Eastern Europe could well lead to a resurgence of authoritarianism, whether Communist, non-Communist or anti-Communist.

Developments in Eastern Europe are likely to have an important influence on Soviet foreign policy. The Gorbachev leadership has conceded the acceptability of non-Communist regimes in Eastern Europe. Should they prove anti-Soviet, those countries could well be seen by the Soviet Union as posing a security threat to it. Developments within the Soviet Union itself will be even more important in determining future Soviet attitudes toward the European security situation. A peaceful and face saving solution to the aspirations of the Baltic States that does not trigger breakaway movements elsewhere in the Soviet Union would reduce the likelihood of a reversal of the present (and desirable) Soviet deemphasis of military power as an instrument of foreign relations. This is separate from the question of whether, as some claim, the destiny of the Soviet Union is to be reduced during the coming decades to the original dimensions of the Grand Duchy of Muskovy. Though the degree and nature of the breakup of a sprawling empire will not in this case be determined primarily by outside forces, whether it proceeds and the nature and degree of such a fragmentation are important matters to the United States as well as to the Europeans. The prospect of a disassembly along the lines of what happened to the Hapsburg and Ottoman Empires during the second decade of this century (and the Romanov Empire, though it was later reassembled) is a very different matter when the empire in question has tens of thousands of nuclear weapons.

Thus the traditional threat of a conventional attack in central Europe is greatly reduced already, and exists principally in the form of a possible future revival. It is likely, though not certain, to be reduced further. It may even disappear entirely. But threats to the security and peace of Europe in a different form, both within a newly associated Eastern Europe or indeed from the Soviet Union itself, are not to be dismissed as forever impossible.

How NATO responds to these changes cannot be separated from the questions of what is appropriate for the evolution of U.S. security goals and strategies nor from the question of the future of Europe both within and beyond the boundaries of NATO. Here it probably makes sense to think about where we would like to end up and work back from there. The architects of post-World War II U.S. security policy foresaw as a desirable outcome the containment of the Soviet Union, preservation of democracy and the achievement of prosperity in Western Europe, and a change in the status of Eastern Europe. After 40 years, all those now seem achieved or in process of achievement. This presents the United States and its European allies with a new set of problems, and requires the establishment of a new set of goals that may again take decades to achieve. A desirable outcome would be a situation in which the Soviet Union, whatever form its internal political and economic organization may take well into the 21st century, comes to behave as an ordinary nation. That means it would be trying to gain influence and prosperity in competition with others, but not seeking revolutionary changes in the world order. Its very size makes it difficult to contemplate the Soviet Union as just another member of the European community (even more difficult than the case of Germany, to which I shall return later). But the situation I describe would not preclude some sort of Soviet relationship to a European community that included both Western and Eastern Europe, a relationship different from that of the United States in view both of American economic development and of the history of the last 40 years, but not necessarily any longer an adversarial relationship. Eastern Europe, in this picture, would have developed as a set of relatively stable democracies, less developed economically than Western Europe but gaining in prosperity, as the less developed nations of Western and Southern Europe—Ireland, Portugal, Greece—are doing and along the economic path that Spain and Southern Italy have already traced in the past two decades. Achieving such an outcome will require the creation of a new European security situation that promotes political stability in central and Eastern Europe, economic cooperation and free markets, and assistance to developing economies, and avoids military conflicts not only across the present East-West dividing line but on either side of it. It is notable that we properly discount, as a result of the political and economic successes of the past 40 years that have taken place in NATO and in the EEC—and because of the existence of nuclear weapons—any revival of the bloody conflicts that plagued Europe west of the Elbe among nation-states during the 600 years before 1945. But the political situation in Western Europe is less stable than it was a year ago.

To return to the question of NATO response to the changes taking place in the Soviet Union and in Eastern Europe, I judge that the United States and its Western European allies should recognize that NATO is going to have to change as the military threat changes and as the political context in which it operates in Europe changes. It is possible that NATO as a military organization will disappear or be subsumed, though I hope we will be cautious enough so that such an outcome is not imminent. Retention of a U.S. commitment to the security of Europe will continue in my judgment to be required into the indefinite future. But providing that the security threat from the Soviet Union is reduced to a very low level, that political commitment could be met in quite a different way. The singularity of nuclear weapons, which distinguishes the post-World War II situation from previous European history, will require that the U.S. political commitment include a continued nuclear guarantee. But it should be able to be met with a much smaller forward deployment of conventional U.S. forces than is now the case. Correspondingly, the Europeans would assume a much larger fraction of such a reduced overall conventional responsibility than they carry even now (and even in the current situation they carry by far most of that conventional responsibility). The United States would in such a circumstance have to be able to return significant air and naval forces and modest ground forces (the latter largely to satisfy the political requirement that the Europeans not see the United States as unwilling to carry any of what is regarded as the most punishing assignment.) A rapid capability for such return in crisis would be essential, because deterrence of whatever future political or military threat to stability concerns us is substantially a function of the perception of early commitment. But rapid would then mean weeks, not days, for the greater portion of that force.

We do not know how political evolution will proceed in Europe, especially in Germany. That evolution will affect European attitudes toward the presence of U.S. forces. But the United States should not precipitate a process that could lead to total withdrawal by initiating unilateral actions. Instead, any such drawdown of U.S. forces should be carried out at a pace and in an amount depending upon joint American and Western European political decisions, and in the light of actual Soviet withdrawals of their forces from Eastern Europe, including how many, how far, and into what state of readiness or unreadiness. To this end, agreements on arms reduction and confidence building measures are the appropriate way to set levels of forces, locations of forces, time schedules, degrees of readiness, and for arranging for verification of all of these matters. Unilateral reductions or withdrawals by the United States would carry a heavy risk of unraveling Western European unity, increase the chance of instability, and greatly reduce U.S. influence on the political and economic evolution of Western and Eastern Europe.

In economic terms, the Western response should in my judgment be one of assistance to Eastern European countries in the form of loans, investment, technical assistance and, in cases of extreme hardship, grant aid, consistent with the evolution of the economic and political systems of those countries. Our experience of all of those forms of economic assistance in much of the Third World as well as in parts of Eastern Europe itself suggests that without substantial movement toward a market system, painful as that will be, economic assistance from outside is largely wasted. Both bilateral and multilateral arrangements, as well as operation through the international financial institutions, seem appropriate for Eastern Europe. In political terms, I would emphasize the importance of the United States and its European allies working together in dealing with Eastern Europe. It is understandable that there have been individual political initiatives by the Federal Republic, especially toward East Germany. Perhaps from concern about possible economic and even political domination of Eastern Europe by Germany, France has taken initiatives toward Eastern European countries with which it has traditional cultural and political ties—Czechoslovakia, Poland, and Romania. But it would be unfortunate if such initiatives led to an unrestrained competition of the pre-World War II variety on the part of the major Western European nations. The United States, which has ethnic ties with all European countries but a lesser economic interest than Western Europe, and no history of engaging in that pre-World War II competition, can play a constructive role by encouraging the Western European countries to act in concert with each other and with it. But we can do so only if we are prepared to play an active role, and that will require some financial commitment.

I have deliberately not addressed until this point the specific question of U.S. force deployments and capabilities, and what changes if any should be made from the current situation, because I wished first to establish at least some preliminary context for such military force structure decisions. I think we should proceed to reach an agreement on conventional forces this year in CFE—we might appropriately call it CFE I—along the lines presented by the Bush administration in May, adopted by NATO, and apparently consistent with Soviet proposals as well. There are a great many details to be ironed out, such as how to treat personnel and various aircraft categories. And because a deadline is dangerous I would not set one, though I would hope for agreement by the end of this year. But we should already be thinking about what comes after. That depends upon the political factors in Eastern Europe and what the Soviets agree to do with their own military forces. But a further reduction over the period to 1995 should be possible, by agreement with the Soviets and with our allies, while maintaining a U.S. force level in Europe that still meets the needs of deterring potential threats from the Soviets and exhibiting a U.S. commitment to security, stability, and peace throughout Europe. For U.S. ground forces, that level could appropriately be two divisions, plus the Corps Headquarters for each of them, as compared with the present level of two Army Corps, each with two divisions, an advance brigade of a third corps and three armored cavalry regiments. Corresponding reductions in deployed tactical air wings would appropriately be made at the same time. If any money is to be saved, the returned forces would have to be demobilized or transferred to Reserve status. Naval forces (Navy and Marines) assigned to or earmarked for NATO as reinforcements have other actual or potential roles as well. Nevertheless, any lingering vestiges of a forward maritime strategy aimed at threatening the Kola and Kamchatka Peninsulas ought now to be abandoned. Overall, I believe that 11 or 12 carrier battle groups would be the appropriate level—and zero battleships. In light of the lengthened warning time envisaged for Europe, fast sealift is the appropriate reinforcement mode for the great bulk of the lift requirement there. In some other parts of the world where the United States may need to project force, faster response may be required. This may be met by airlift and by forward-deployed logistic ships, which could store duplicate equipment made available by demobilization of some forces, able to match up with airlifted personnel.

The role of Germany in Europe following the collapse of the Soviet Eastern European empire is central to European security and stability, and I would like to turn finally to that question. Economically, Germany is already the leading European power. Whether East and West Germany are unified, federated, or neither, the role of the Federal Republic will increase economically. Indeed, the Bundesbank, despite Mrs. Thatcher's manful efforts, already serves to a substantial degree as Europe's central bank. Moreover, an economic unification of East Germany with the Federal Republic seems inevitable unless there is a substantial reversal of the events of the last 6 months in Eastern Europe. And in any event German business and industry and German banks are likely to play an increasingly larger role in other Eastern European economies than those of any other Western nation. Whether Germany goes beyond economic leadership to dominance depends upon the integration of Europe (political, to some degree, as well as economic). The symbolism of the political unification of the two Germanies, all but inevitable at some time and in some fashion, will heighten concerns about the potential of German domination of Eastern Europe, and the establishment of a common border with Poland could raise added territorial issues, and potential political instability in Central and Eastern Europe.

We should not be misled by false historical analogies. The Federal Republic, even with East German adherence, is not Wilhelmian, let alone Hitlerian, Germany. But Germany has been the powerhouse of Europe since the 1850s and needs to be set in a larger structure if we are to avoid raising fears in Western as well as in Eastern Europe and the Soviet Union. Several relevant structures now exist: NATO, the European Economic Community, the WEU and (in much less developed form) CSCE—the Conference on Security and Cooperation in Europe. The first gives the United States a role. The last gives both the United States and the Soviet Union a role, and thus may be the most suitable overall security vehicle for Europe, but would need to be very substantially developed to serve the purpose I mentioned.

The Germans themselves will play the principal but not exclusive role in determining whether, how fast, and through what phases unification may proceed. But I hope it can move carefully enough so that the existing multinational organizations or new ones can provide the structural context for whatever happens, not only in Germany but in Europe as a whole.

Toward the end of last year there was some evidence of a somewhat more cautious approach among elements in both the Federal Republic and in the DDR. But elections in both countries this year are likely to center on the question of German unification and popular feelings will probably force the issue. U.S. (and British and French) leaders must not impede (or be thought to impede) the wishes of the electorate of the DDR and the FRG for unification, if the respective elections in March and December indicate a decision to move in that direction.

In any situation of opposing blocs, Germany is too large and too important to be neutral, but if the political complexion develops during the 1990s in line with the goals I earlier set for 30 years from now, the Europe of blocs will change even more rapidly and a different answer is possible—and in much less than 30 years. Until that broader context and those larger institutions begin to develop more reality and more strength, present military arrangements should not be lightly abandoned, although current U.S. and Soviet troop deployments can by agreement be greatly scaled down (asymmetrically, so as to reach a balance where no substantial military threat is posed). We and the Germans themselves should think very carefully before complete removal of U.S. forces.

We have already entered a new era in international security in Europe, though we do not understand the details, or even some of the major aspects, of its nature. We need to do a lot more thinking and a lot more consulting. But we need also to be flexible and agile, because popular movements and the tides of history do not always wait for the carefully laid plans of self proclaimed wise men to mature. Within the United States a major element in meeting the challenges posed by the success of the policies established in the late 1940s is a restoral of the executive-legislative consensus that produced those policies. That consensus was severely damaged, even destroyed, in the mid-1960s and thereafter. We must seek a new one. I hope some of my thoughts presented today can contribute to such a new consensus.

Chairman Nunn: Thank you very much, Dr. Brown.

I will ask the Clerk to use the 6-minute rule, and hopefully we can all stay within it and have a couple of rounds of questioning this morning.

Senator LEVIN. Mr. Chairman, I am sorry I am unable to stay. Will the record be kept open and would Dr. Brown be willing to answer some questions for the record, particularly on the ICBM forces?

Dr. **Brown**. Within the limitations posed by my not having any staff, and having to answer your questions myself, Senator Levin.

Senator **Levin**. We will keep it down to 100. [Laughter.]

Chairman **Nunn**. Dr. Brown gave very interesting testimony before the Budget Committee in the House yesterday that I have read, and it has touched on several of those issues.

I would like unanimous consent that that testimony, if he would be kind enough to submit it to us, be part of the record. Without objection, it will be.

[The material referred to follows:]

PREPARED STATEMENT BY DR. HAROLD BROWN, CHAIRMAN, JOHNS HOPKINS FOREIGN POLICY INSTITUTE, SCHOOL OF ADVANCED INTERNATIONAL STUDIES

Mr. Chairman and members of the committee, I am delighted to appear before you today to offer my views on the budget implications of defense and foreign policy considerations in a changing world scene. My presentation covers both subjects on which you have solicited my views and some on which you have not. The former include the appropriate size of the defense budget now and 10 years from now, what might be saved from current projections or from present levels in constant dollars, what is an appropriate percentage of the GNP for defense, the appropriate force structure, whether troops can be returned to the United States, etc. The latter include issues of where improvements in the balance of revenues versus expenditures in the Federal budget should come, and where dividends, however characterized, should go.

The defense budget should in principle be derived from the force structure and equipment needs, which in turn should be a consequence of the military strategy that the United States adopts. That in turn should be a consequence of U.S. goals and objectives for its national security and of the international environment in which those must be sought. Of course in the real world there are other, domestic, considerations in formulating a national security strategy and a defense budget. These are political and fiscal, and they play a large, sometimes a determinative, role in setting the overall level of the defense budget and even its distribution. I will try briefly to take both a top down foreign policy look at these issues and also offer some comments from the domestic fiscal/institutional/political standpoint.

In strategic terms, the events in the last few months in Eastern Europe, following the announced major revisions in Soviet foreign and military policy that have been reflected to a significant degree in Soviet actions—for example withdrawal of all troops from Afghanistan and the beginnings of a downsizing of Soviet force structure in Eastern Europe—have unquestionably changed the balance in Europe and greatly altered the likely future security requirements of the United States there. Moreover, this has had a substantial effect on the attitude of our Western European allies. Though the U.S.-Soviet relationship retains a significantly adversarial nature, its confrontational aspects have greatly diminished. There are many potential and actual areas of common interests and the prospects of cooperation have considerably increased. Some of these circumstances could be reversed, but a change back to the situation of the early 1980s seems very unlikely during the rest of the century.

The Soviet Union, however, remains a military superpower. Specifically, its strategic nuclear capability makes it the only nation with a credible capability to destroy the United States. That suggests that the United States must continue to assure that it retains a credible strategic deterrent. The START negotiating process is an appropriate way to reduce the strategic forces on both sides to a substantially lower level. The agreement that seems to be emerging would reduce the present number of strategic warheads nominally by 50 percent but actually by more like 30 percent in the U.S. case and 40 percent in the Soviet case. Even if a subsequent reduction by an additional factor of two should take place, what remained would be more than enough to destroy both countries. Therefore, though the present strategic balance is stable, modernization and force structure changes should take place to improve that stability further. These probably can proceed at a judicious pace in the light of the eased U.S.-Soviet political relationship; that is also appropriate in view of the high price of the stabilizing modernizations—the mobile or multiple-shelter small ICBM rather than the cheaper rail mobile MX, the B-2 rather than the already purchased B-1, and a new generation of ballistic missile submarines. The goals of strategic arms control and reduction can thus be met: greater stability, reduced annual expenditures, and an improved political relationship. My own view is that anti-ballistic missile defenses as contemplated in the strategic defense initiative do not improve stability. Therefore keeping that program in the status of a research and technology development at the level of about $3 billion a year would both contribute to stability and reduce projected defense expenditures significantly.

As the Soviet political and military pullback from Eastern Europe proceeds, the United States should and will modify its own European commitments. It will be important to maintain the political commitment to our European allies of a U.S. military involvement as necessary for our mutual security. In my own judgment this will continue to include some sort of nuclear force commitment, both through the existence of U.S. strategic forces and in the form of a forward deployed nuclear capability. A long range version of Lance now seems very unlikely to be the mode used. Tactical aircraft with air launched cruise missiles may well be the right way to go.

The U.S. commitment to Europe should, under these same assumptions, involve a substantially reduced conventional military capability. The magnitude of what should remain and the pace at which it is reduced to that level depends on political decisions that must be reached by the United States and its European allies together, influenced substantially by the rate and nature of Soviet withdrawals and carried out as a result of force reduction and confidence-building agreements between the Soviets, the non-Soviet Eastern Europeans, the NATO nations, and others—in various forums. What the United States maintains in Europe or in the United States for the purpose of reinforcement of Europe should depend largely upon the size, location, and readiness of Soviet forces. Of course the West European and American evaluations of Soviet intentions and of the political relations between the Soviet Union and the rest of Europe will also condition our judgments as to what the size and readiness as well as the location of U.S. forces should be. If all of these factors go favorably, it seems to me at least possible that the U.S. forces in Europe could be reduced by verifiable arms reduction agreements to a level of two divisions, each one accompanying a corps headquarters, by 1995 or earlier. This compares with four divisions, three armored cavalry regiments, and an advance brigade along with two corps headquarters now. By the year 2000 or earlier, again assuming a favorable military and a stable political evolution—the latter, especially, by no means sure, it is conceivable that the United States might have few ground forces in Europe, though I think it would be highly important to retain a capability to return some forces to Europe quickly so as to be able to send a political signal in any possible crisis.

Tactical air forces can move more quickly. Therefore, I would judge that significant U.S. tactical air forces could also be returned to the United States over the next 5 years, beyond what is contemplated as part of the proposals that the United States and NATO has made for the first phase of the so-called CFE reductions.

Withdrawing forces from Europe does not save defense costs, unless they are disbanded or transferred to the Reserve, and I assume that some combination of those alternatives will be adopted.

The situation in the Far East raises similar questions but is not the same, because of a more complex political and military situation there. A comparable political evolution has not happened in Asia: China's movement toward openness within and international cooperation without has stalled; North Korea has yet to find its Gorbachev. China and the two Koreas, along with Japan and the Soviet Union, are major factors in East Asia. Their interactions with each other and with us could go in any of a variety of directions. Military threats in East Asia have appeared considerably less since the mid-1970s than the perceived magnitude of the threat in Europe in the early 1980s, but they have changed less in the past couple of years than have those in Europe. Nevertheless some drawdown of our forward deployed forces in Asia over the next 5 years seems feasible.

Our force projection capabilities do need to be kept at a high level of readiness, because force as an instrument of international relations has not disappeared. Indeed it is in use now—exercised directly or as a political lever—in Southeast Asia, the Middle East, and Central America. Thus the Army's 18th Corps of air assault and air mobile divisions, some Marine divisions, naval task forces and land-based tactical air wings must be ready for dispatch where U.S. national security interests may be deemed in the future to require them. But those and other forces need to have their sizes and equipment reexamined. My own judgment, for example, is that 11 or 12 carrier battle groups (and probably no battleships) are an appropriate level for naval forces, which no longer should be contemplated (in my judgment they never should have been) for use against the Kola or Kamchatka Peninsulas. Some of the ground and air forces now in the United States but intended primarily for reinforcement of Europe can be transferred to reserve status.

As to the materiel side, I believe it important to reexamine the industrial base requirements that might be necessary for a rapid expansion of defense production capability a decade from now, as insurance against a turn for the worse in the world situation. The research and technology base should also be maintained or indeed expanded so that a new and advanced generation of weapon systems could be near production 10 years from now should the judgment be made 6 or 7 years from now that that will be necessary. But that technology base will be built up effectively only if the effort (and funding) is concentrated in universities and in industry (including IR&D—Independent Research and Development) rather than in in-house government laboratories. Correspondingly, weapons now on the drawing board but whose development has not been carried out could well be deferred, and the present production of some (but not all) of those now in production could be continued at a low level—for example the F-16 and F-18 but not the F-14 or F-15. This is not the most cost-effective way to produce a known, fixed number of weapons platforms. But it does provide insurance in the form of a going production base, which can be expanded with a couple of years lead time. Improvements during the period before the advanced generation could be procured should be concentrated on subsystems (air-to-air or air-to-surface missiles, tank guns, electronics) rather than on platforms.

Let me turn now to the general question of the level of the defense budget. The rate of increase or decrease in real terms (that is after inflation is accounted for) influences the efficiency of operation of the Department of Defense. In the late 1970s that rate ran between 1 and 3 percent a year increase. An acceleration to 5 percent a year was proposed at the end of 1980. In the event the rate of increase from 1980 to 1985 was 8 or 9 percent a year. In retrospect (and to some of us in prospect) that was obviously too fast. Inevitably a considerable amount of waste resulted, both in the form of excessive prices and, more important in terms of overall cost, through wrong decisions about numbers and kinds of weapon systems. Too rapid a rate of change could prove as or more wasteful on the way down. The experience of 1985 through 1990, where the average reduction was about 2 percent a year in real terms, shows that that rate can be accommodated. It was not wasteful in terms of overpricing. It did, however, result in some bad decisions based on incorrect assumptions in the planning of budgets and weapons programs within the Department of Defense—to the effect that real growth would continue to occur. The reality of the reductions will now ensure delayed cancellations; and that delay will have caused waste.

One sensible way to approach defense budgets over the next 5 years is to be relatively cautious at first, but then go faster as we know better the form of arms reductions, the actual nature of Soviet troop pullbacks, and the evolution of international political relations. The administration seems to be proposing continued annual real decreases of 2 percent a year. If the Congress goes to annual rates of 4 percent a year real decreases over 5 years, that should be manageable, even though it is a steeper decline than would be advisable from a purely defense planning point of view, or in a more favorable U.S. economic situation. At 4 percent a year real decrease, in constant dollars the defense budget would be about the same in fiscal year 1995 as in 1980 and, if the GNP grows at 2.5 percent a year in real terms, defense would in 1995 constitute about 4 percent of the GNP, the lowest it will have been since 1950. It would compare with about 10 percent in 1960, 5.1 percent in 1980, and 6 percent in 1985. In thinking about budgets 10 years from now, it should be remembered that military retirement pay constitutes about $20 billion and medical care of military personnel and dependents about $13 billion, for a total of 11 percent of the present Defense Department budget. These and similar factors, and the more important uncertainties about the geopolitical and geostratic situation in the year 2000, suggest that statements that the defense budget can then safely be half of what it is now should be treated with some caution.

Let me turn now to some topics that you didn't ask me to speak to but about which I feel impelled to comment nonetheless. The United States is consuming more than we are producing. We are saving and investing too little. These are not situations that can continue indefinitely, and the longer they do continue the deeper will be the future reduction in our standard of living, the greater our loss of influence in the world, and the higher the risk to our national security. The large government deficits, in the light of the low level of private savings, translate into a substantial balance of payments deficit. Both need to be reduced. Defense reductions are one element of such a program—but only one element, a point to which I shall return.

What should be done with the defense dividend, whatever its size? I certainly hope that it proves more real than the Vietnam dividend, which had already been committed to income transfers by the time it appeared. Similarly, I fear that the peace dividend that is now anticipated may have already been expended in the tax cuts of 1981. Indeed probably the first use of reductions in the defense budget should go to reducing the deficit, with concomitant effects on interest rates, cost of capital, economic growth and the trade deficit.

There is also something to be said for investment in the infrastructure—roads, bridges, water systems, and the like, which do have a positive effect on the economy, albeit a delayed one not predictable in detail. The same may go for education and for government sponsorship of technology at the generic level. But about these, as about health expenditures, I have some reservations, which I will mention a bit later.

A third set of claimants for funds made available by lower defense budgets than have been projected are non-means tested income transfers. I doubt that increases in those contribute to U.S. economic strength. Means tested income transfers, to help solve our grave social problems, are quite another matter. It would be one thing, for example, to find a way to cover the 37 million Americans now not benefiting from health insurance; it would be something quite different to provide more high tech, high cost medical treatment to the high income elderly without taxing them for it.

One possible application of such funds that deserves serious attention is foreign economic assistance. Total foreign aid has been running at about $16 billion a year, of which about half is for military assistance. Thus diverting even $5 billion per year of any defense savings to economic aid would almost double the present level in that category. Eastern Europe suggests itself as an application that could be extremely productive in both economic and political terms. Those economies are, to a greater or lesser degree depending on the country concerned, a shambles. They have neither the political infrastructure nor the state of economic development relative to the rest of the world now that Western Europe had relative to the rest of the world following World War II. Thus we should not expect, per constant dollar invested, the economic return that flowed into the world economy then from the Marshall Plan. Eastern Europe is nevertheless an area of great potential economic development over the next decade, provided that the bankrupt Communist political and economic systems can be succeeded by reasonably democratic ones that will adopt sensible market-oriented economic policies and motivate their well educated work forces. Aid from the industrialized democracies can encourage both such political structures and rational economic programs. At the same time they can provide the capital and technology which the Eastern Europeans can use to improve their own standards of living. Success would increase world trade and with it world prosperity, help stabilize the European political situation by reducing the economic and political differences between Eastern and Western Europe, and thus encourage European integration on a continent-wide scale. This would in turn limit both incentives and opportunities for attempts by any European power to dominate Eastern Europe again.

By noting Eastern Europe as one opportunity for U.S. economic assistance, I do not mean to slight other, even poorer, areas of the world. The Third World debt problem is a threat to the U.S. economy as well as to the already unacceptably low standards of living in those debtor nations. This is so not least in our own back yard—Latin America and specifically Mexico. To the extent that U.S. Government loans, guarantees or other forms of assistance can help to restructure those debts in a way that will encourage more rapid economic growth in those countries, we serve not only a humanitarian purpose but increase our own prospective markets and provide additional opportunities for our own economy.

In all potential applications of funds from a possible defense dividend, from increased revenues, or from limits on non-means tested income transfers, one significant criterion should be how much of a percentage increase in the funding to some desirable end is made available by the transfer, and how much effect it can be expected to have on the anticipated—or at least desired—goal. My own impression is that the effect that could be anticipated through an increase in foreign economic aid by even a few billion dollars a year could be very substantial. The effect on interest rates of a decrease in the expected federal deficit of $10 or $20 billion in 1991 or 1992 (which would require action on more than simply defense budgets) with the prospect of a $50 or $60 billion effect by 1994 through changes in defense, revenue, and income transfer projections, could be very great indeed. I have my doubts about some of the other uses I have mentioned. First, the percentage increase that could be made available, beyond what is now being spent in the economy as a whole for each of those purposes, would be small. Moreover, the likely effectiveness of such increases are in many cases problematical.

For both education and health, for example, we must take note of the present level of the GNP now devoted to those functions. Education now takes about 50 percent more of the GNP than defense. Adding $10 or $20 billion a year to a $450 billion a year expenditure will not automatically solve our education problems. Health and medicine account for $600 billion per year. And though I would advocate increased Government support of research, and of technology at the precompetitive and generic level in support of industry consortia, I am considerably more skeptical about the ability of the Government to pick winners, and to support development and manufacture, at the level of specific products.

The scramble for the anticipated defense dividend, already probably oversubscribed by at least several fold on the basis of the possibilities I have mentioned and undoubtedly many others, carries a substantial risk. That is the risk of diverting attention, and the political skills of the administration and the Congress, from what I consider a more important task. That is devising a real solution to our economic policy problems, a process that will require the utmost efforts of both executive and legislative branches. Reduced defense expenditures are part of that solution. As the military threat to security continues to decline (as it is almost sure to do, though we need to ensure ourselves against a return of greater military threats 10 years down the road), defense can and should be a lower percentage of the gross national product. But it is only part of a solution that must also encompass limitations on non-means tested income transfer programs—"middle class welfare programs"—and in my opinion will also have to include increased revenues. I would seek those in progressive consumption taxes, encouraging savings and investment. Even the various forms of energy tax could be made progressive by rebating them to low income groups. To repeat, in my view only a three-pronged political compromise and consensus embodying defense reductions, income transfer limitations, and a tax restructure increasing revenue and emphasizing progressive taxes on consumption will provide a framework in which America's economic and human problems can be addressed, the American economy made truly competitive internationally, environmental problems dealt with, and the economy encouraged to grow in the future at a rate that will allow these as well as our security needs to be met.

Chairman NUNN. Let me start off generally with the question that Senator Levin has already referred to. How would you go about deciding which of our new weapon systems we would go into production on?

We have a new Navy aircraft. We have a new Air Force ATF fighter aircraft. We have a new generation of tanks coming along, heavy tank program, modernization program.

We have a new attack submarine coming along. These are nonstrategic programs. Then I will ask you the same question for strategic programs. How would you go about in this atmosphere, given the world situation, deciding which of those weapon systems to move into production as opposed to basically stretching them into R&D?

Dr. BROWN. I would, as you have, Mr. Chairman, separate the issue into strategic and conventional. On the strategic side, it should be noted that the Soviet Union still has roughly 10,000 strategic warheads. It can destroy the United States. That would not be a rational act; but it is a capability.

So we cannot abolish our strategic forces. We need to continue to deter. I think that the strategic balance has been rather stable, much more so than some observers have suggested.

But I think it can be made more stable, and therefore I think that modernization, which is going on in the Soviet strategic force, is also appropriate for the U.S. strategic force. At the same time, the political atmosphere has eased between the United States and the Soviet Union, and the fiscal atmosphere in the United States is much more stringent.

Those two factors suggest to me that we can proceed cautiously, but I would proceed with the modernization of our strategic forces. I would not do all of the modernizations that are being proposed, and I might not do any of them quite as fast as is being proposed. Where I then come out is, first of all, no rail mobile MX. Go ahead and develop Midgetman and deploy it in silos. It is a single warhead missile and therefore is more stabilizing. Retain the option to deploy it in a mobile (and expensive) fashion should the threat increase.

The submarine-launched ballistic missile force, which is the ultimate deterrent, I would like to see reconstituted with smaller submarines. I do not like to have so many eggs in so few baskets; but again, we probably have time for that expensive process to proceed slowly.

I believe that we should have a bomber capability. Unfortunately, the wrong one was deployed, the B-1 rather than the B-2, and the B-2 will be very expensive. However, it has been developed. I would not go into high-rate production, but I would produce a few per year and see how it tests out. Because how useful it is for conventional use as well as strategic use depends on its range and payload, and I think that needs to be determined.

I would limit SDI to a research and technology development program at a level roughly what it is now, perhaps a little bit less in constant dollars.

On the conventional side, things are quite different because the massive threat to which we have devoted most of our efforts is now much less than we had considered it to be, much less than it was. What I would do there is this. We ought to deal with it case by case, and it depends on how far along a particular development is. I have already said something about force structure. I think there ought to be reductions in force structure. But you are now asking about weapons systems.

There I would say the following: I would keep open some existing production lines but not all. I would keep open the F-16 line but not the F-15 line. I would keep open the F-18 but not the F-14, and I would produce at a low level.

That is not the most efficient way to produce a fixed number of aircraft. It is more expensive. On the other hand, and I guess I differ from quite a few people in saying this, efficiency is not the only consideration here. If the geopolitical situation changes and we need to expand production, it is easier to do from a going production line. It would take 2 or 3 years, but you could do it. If you close them down, you would not be able to resume production for a long time.

I would take those things that are not very far along in development and I would not proceed with the development. The AFT is in that category, for example. The ATA may not be in that category. It may be too far along, which is unfortunate. But I would at least think about deferring both of those, and instead carry on a research and technology development effort such that in 1996 or 1997 we could decide to go ahead if we wanted to then with a more advanced set of weapon systems.

I have used aircraft as an example, but they are only one example. I am not sure what I would do with the SS-21 attack submarine; in this and in many other cases, I have not looked in enough detail to feel satisfied with my own judgments. But in general, I would defer platforms that are not already ready to go into production right now. I would defer development. I would defer completing development and aim instead for a subsequent generation able to be deployed in 10 years' time or so. That is true for aircraft and it is true for tanks and it is probably true for helicopters.

What I would concentrate on, in terms of improving and modernizing the force, is not the platforms but the subsystems: the electronic systems, the munitions, the air- to-ground or ground-to-air munitions, the guns and sensors and so forth because that's less expensive and gives you significant improvement.

Those are general principles that I have tried to illustrate with a couple of examples, because the principles have more validity than the examples.

Chairman NUNN. If I could pose my question, and I will defer to Senator Cohen on airlift and sealift, the C-17, I do not know exactly how you would describe the stage it is in right now, and then you have a fast sealift package.

How do you come down on those?

Dr. BROWN. I think the change in the geopolitical situation emphasizes the fast sealift over the airlift. I supported the development of the C-17, although at the budget levels contemplated at the end of the 1970s I had grave doubts as to whether we could afford the procurement. But I supported the development because I thought it was important to have more options than you could exercise.

In the budgetary environment of the first half of the 1980s, when everything was affordable and everything was purchased, it may have made sense to go ahead with the procurement of the C-17.

We now are clearly going into a situation where the budget is going to be considerably less. Given that and given the longer warning times that we now anticipate, I think that we could dispense with the procurement of the C-17.

Chairman NUNN. Thank you, Dr. Brown, very much.

I am going to have to go to Judiciary Committee for an introduction.

Senator Cohen, I recognize you, and then next in line for questioning on the Democratic side, would be Senator Wirth. Senator Bingaman, I will hand you the gavel, if I may.

Senator Bingaman [presiding]: Senator Cohen.

Senator COHEN. Secretary Brown, I take it from your testimony that you see something of a shift on the part of the United States in terms of the relative importance of land power as compared to a greater sea power orientation.

I conclude that by your reference to the inevitability of a reduction in the size of the forces in Europe. Many of us on the committee have seen at least the signs on the wall that we may have a reduced presence in South Korea, and we may have trouble staying in the Philippines and, indeed, we may even have a reduction in forces stationed in Japan.

Is it fair to conclude that if that is to be the case, that we need to maintain an enhanced sea power or force projection capability?

Dr. BROWN. I do not think, Senator Cohen, that we need to enhance the present naval power projection capability. In fact, I think it is probably excessive to our needs. But the biggest reductions clearly are going to be applied to ground forces because the bulk of our Army forces are aimed at Europe and roughly you need a couple of divisions for a rotation base for every division that you have forward deployed.

I agree with you that reductions are also likely in our ground force deployments, Army and Marine, in the Western Pacific, although those will come more slowly because the geopolitical situation is not evolving so rapidly there.

Senator COHEN. So you would not recommend—I think Time magazine recommended we go down to six carrier battle groups.

Dr. BROWN. No, as I said in my testimony I am talking about 11 or 12, and since I thought 12 was enough in the later 1970s, I certainly do not think we need more now. The world is not more dangerous now than it was then.

Senator COHEN. But it will have a different type of danger, in effect?

Dr. BROWN. Yes. On the other hand, you know, a fair amount of the Navy is now aimed at the North Atlantic sea lanes, and you will recall the maritime strategy which was going to threaten to attack land bases in the Soviet Union. Whatever those carriers were supposed to do, they are not going to do that now.

The Mediterranean is a different case. I think we probably do want to keep a carrier in the Mediterranean. I doubt that you will want to keep two there. But I think we do need force projection capability. We probably have the wrong size carriers for that, but we are not going to scrap the ones we have and build a force of smaller ones 50 percent more numerous.

Senator COHEN. You talked about the need, the inevitability perhaps, of cutting back on the B-2 bomber force because of cost constraints. If the B-2 were either canceled or limited to one or two wings, do you think that we have to rethink the counting rule as far as START is concerned?

General Chain and General Welch both testified that for targeting purposes we have a firm requirement for warheads over and above the nominal 6,000 warhead limit and that the only way to get above that limit is to have the B-2, and without the B-2 there should be no START as currently conceived.

The question I have deals with target requirements, something that this committee has, in my judgment, not looked at closely enough. It is something that is always resisted by the Pentagon itself. My question is whether we should rethink the counting rule which discourages the deployment of a B-1 with ALCMs and encourages the deployment of a penetrating B-2. Or should we also consider the alternative: perhaps being a little more stringent on the targeting issue?

Dr. BROWN. Target lists are infinite, or at least they are very large. The targeters can come up with a target list to match any number of nuclear weapons that you can name. So I would discount somewhat the thought that our force structure is precisely determined according to some well-defined and highly rational target list.

Nevertheless, there is, I think, some reasonable lower limit that you would not want to go below. That lower limit, I think, is exceeded by the current plans consistent with the START talks as they now exist.

I would not like the idea of trying to adjust the counting rules in order to accommodate some budget decision. I think that would be a mistake. When I went at the counting rule question 5 or 6 years ago, it seemed to me that you should establish counting rules on the basis of what the weight of the aircraft was and how many cruise missiles it could carry but then discount it by the fact that there is air defense but there is no ballistic missile defense. So a cruise missile should not count equally with a ballistic missile warhead. Where that would leave you I suspect is not very far from counting a heavy bomber as 10 warheads even if it carried 20, so that is what I would do.

I would make the decision on the B-2 separately especially because I think the B-2 has to be justified as much by long term conventional capabilities as by strategic capabilities.

Senator COHEN. Mr. Chairman, if I could pose just one last question.

Several of us went over to Germany this past week, and the entire issue of German reunification was the dominant topic of discussion. Mr. Genscher, the foreign minister, has proposed a concept whereby Germany would be part of NATO but NATO would not deploy troops in the eastern part of a united Germany.

The question I have is do you think the concept of a Germany in NATO but NATO not in East Germany is plausible or feasible, bearing in mind your own testimony, first, that creating a new European security structure is going to take years and, second, German unification or reunification could probably occur within months and, third, what the Soviets may object to today they may not be in a position to object to as of March 18?

What is your judgment as to the feasibility of having a Germany in NATO but NATO not in East Germany?

Dr. BROWN. I begin, Senator Cohen, by emphasizing the tentativeness of my or anybody else's judgments on these matters because every week something new happens that changes the situation.

From the U.S. point of view I think it would be very desirable if you were to have a unified Germany and it were to be in NATO. I think that is difficult because the Soviet Union—well, Mr. Shevardnadze has already started to express some concerns. The Soviets have forces in East Germany that are there as a result of World War II and are not automatically all going to be removed.

I think that you are then forced into the question of what kind of compromises might you have, and I think what Foreign Minister Genscher has proposed is one such compromise: a unified Germany in NATO but with present East Germany not part of the NATO military structure. Does that mean there would be Soviet troops in that part of a unified Germany? It is not clear to me, and Mr. Genscher has not said. I think that it is a useful proposal, and it might last for a while. I do not see it as a long-term solution. I do not see a united Germany accepting either demilitarization of part of it or occupation by Soviet troops of part of it for an indefinite period.

I think we may be forced through a series of interim solutions because we do not know what the outcome is going to be of a broad European security system. We ought to pursue that one and others.

Senator **Bingaman** [presiding]. Senator Wirth.

Senator **Wirth**. Thank you, Mr. Chairman.

Secretary Brown, thank you for being with us this morning. That was a fine piece of testimony.

First of all, I will ask you a political budget question. The President sent his budget up here a week ago, and there has been a tremendous amount of debate on two issues—the size and scope of the deficit and the amount of money being proposed on defense spending.

Clearly, in the budget process we are not going to define a whole lot of elements of strategy, but some general ball park number has got to be arrived at. We are not going to go to the zero zero. The final bid, I think, of zero wins the pot, as you said in your testimony. We are not going to go there, either. We are at 300, and clearly the budget and the political reality demands that that come down, probably a lot more sharply than is being suggested by the President.

If you were to make recommendations in, say, over a 5-year period of time, what would you say we ought to be looking at, realizing that these are the kinds of numbers that, explaining overall politically you are not saying on the one hand and the other is what we are doing in our new security pattern and so on?

There is a number that has a political force. What number would you be talking about, given what you know today, knowing that things change in 10 days?

Dr. **Brown**. I agree, Senator Wirth, that Congress has to come up with a number, and it is going to be to some degree arbitrary because there is not going to be a well thought out national security strategy, force structure and so forth by this summer.

Under those circumstances, I turn, as I did yesterday in my testimony to the Budget Committee in the other body, to some managerial questions. With all the troubles we got into when we raised the budget 8 or 9 percent in real terms every year during the early 1980s, there was a considerable amount of waste.

Over the past 4 years there has been a decline in real terms of 2 plus percent per year, and that has been manageable. It has not been managed as well as it might have been because the fiction was maintained that the real budget (after inflation) would keep going even if it was in fact going down. That meant wrong decisions, postponements and cancellations, which means that money was wasted. But 2.5 percent, 2 percent was manageable.

In my testimony yesterday I looked at the question of what would happen if there were 4 percent per year decrease in real terms, and I said I thought that could be managed as well. At the end, by 1995 if you reduced at that rate the budget would still be in real terms somewhat higher than it was in 1980. I would think that the Defense Department ought to be able to produce a very considerable military capability with that budget.

So without making a recommendation, I did indicate that I thought that could be managed even though from a military capability standpoint it is not ideal. Now if you try to go faster than that, I think you are going to get into considerable inefficiency.

There is also the question of what the shape of the curve is. I have heard people suggest, but I do not like the idea, that the Congress should say, okay, we are going to cut the budget 20 percent in real terms in 1 year, but after that it is going to be flat, and the Defense Department would be able to plan with complete confidence what future budgets should be.

I find it very hard to believe that such a statement of intention would be adhered to. Budget cuts are just too attractive no matter what level you start from.

What I would instead suggest is that the Congress start out with modest cuts and see how things go for a year or two before making any deeper cuts. I think that 2 percent is a modest cut and 4 percent is a modest cut—though perhaps at the limit of modesty.

Senator WIRTH. Thank you.

Let me ask you to jump, if you do not mind, to the next steps after START. The nuclear requirements that we adhere to today, as I understand, were set pretty much in the late 1970s and did not change significantly. Yet, now in the last year, clearly the threat from the Soviets would appear to have changed very significantly.

Dr. BROWN. Well, the Soviet strategic capability has not changed significantly. If anything, it is more capable, although beyond some point that does not matter a lot.

What has changed is the political environment and atmosphere. Although I cannot envisage Eastern Europe changing over the next decade in a way that would allow the Soviets to mount the same conventional threat that they did in the 1970s, all it would take on the strategic side is a change of Soviet attitude which could happen very quickly, and we would be right back where we were in the 1970s.

So I would distinguish sharply between strategic and conventional forces as regards the effects of the change of the past few years in the Soviet Union and Eastern Europe. That does not mean that we ought to go ahead with all the modernizations that had been proposed for strategic forces because the political situation is different, and the budgetary situation is different. I would certainly not abandon our strategic capability. I would continue some modernization because I think it can improve stability, whereas simple reductions in strategic forces do not necessarily improve strategic stability. They can make it worse. They can make it better. It depends on the details.

Senator WIRTH. As you were attempting to project out, in posing part of this question, what an overall budget situation would be, how would you project a follow-on to START, say START II or START III, looking out and moving back from there? That is one I wanted to get.

Dr. BROWN. That is a fair enough question, certainly.

If you go to START I, let us say the START I level is 6,000 warheads. Now, it is really not. It is more because of the counting rules for bombers, but let us say it is 6,000. In fact it would not be a 50-percent reduction. It would be more like a 40-percent reduction for the Soviets and 30 percent for us. How much further down could we go?

I think that another factor of II is certainly achievable, that you could go down to an effective level of 3,000 or 2,500. Below that, you start getting into some problems. That is not only because of the target list, although I think that you do get to a genuine limit of some sort on targets when you get below 2,000 or 3,000, because a lot of the targets are conventional force targets and they are substantial in number. You also get into a problem because of the existence of other nuclear powers.

If I put myself in Soviet shoes, I see Chinese nuclear forces, French nuclear forces, and British nuclear forces, and if I am a Soviet planner I do not want to get down into numbers comparable with the numbers in those forces.

So I think you probably would reach some sort of barrier in the 2,000 to 3,000 range, although if you looked only at the Soviet Union and the United States, I think I could probably devise a stable deterrent force of, say, 1,000 on each side.

The trouble from a budgetary point of view is that a stable strategic balance at 1,000 would probably take a complete set of new systems because the systems that we have are not as survivable as one would like for a force that small.

Senator **Wirth**. Thank you.

Senator **Bingaman**. Senator Gorton.

Senator **Gorton**. Dr. Brown, on page four of your statement you have an absolutely intriguing sentence which reads: A peaceful and face-saving solution to the aspirations of the Baltic states that does not trigger break-away movements elsewhere in the Soviet Union would reduce the likelihood of a reversal of the present Soviet deemphasis of military power.

A couple of questions, and maybe your comments on that in general. Do you see the outlines of such a face-saving solution? Do you see a distinguishing feature that separates the three Baltic states from the other Soviet republics? And should the United States have a policy which recognizes such a distinction?

Dr. **Brown**. The United States, in a sense, has such a policy already. The United States does not recognize the annexation of the Baltic states.

Senator **Gorton**. We have been keeping that pretty quiet.

Dr. **Brown**. But quite aside from that formalism, the Baltic states did have a period of independence between the wars.

Actually, Estonia and Latvia had that period of independence only between the wars. Lithuania has a much longer history of independence, association with Poland, and so forth. In that sense there is some difference between the Baltic States and some other parts of the U.S.S.R. where we see separatism.

There is another difference that I think is even more important, and that is that the Baltic republics are both economically and politically very highly developed. And at least in Lithuania you have a relatively small proportion of non-Lithuanians. In Latvia and Estonia it is more mixed.

I would distinguish those conditions from the situation in the Caucusus and in Central Asia, where you have both very extreme ethnic rivalries that have led to bloodshed, and a considerably smaller and lower degree of economic development.

Historically, again, one should remember that both Georgia and Armenia became part of the Russian empire at the end of the 18th century because they felt threatened by the Turks and the Persians. So that was voluntary, as a matter of fact.

That is not true with the Azerbaijanis. There was a war of conquest in the 1840s, if I remember correctly. There was a famous guerrilla leader named Shamyl, who the czarist armies conquered. So you have got a different situation in the Caucusus.

You have, again, a different situation in Central Asia, where there are very substantial numbers of ethnic Russians, so that a breakaway would create very great problems for those—I was going to say minorities—but, at least in one of the Central Asian republics, I think ethnic Russians are a majority.

So I think there is a difference.

Unfortunately, I do not have any simple solution to a face-saving arrangement in the Baltics, or I would have wired it to Mr. Gorbachev.

Senator GORTON. On another subject, on page 11 you state that you think that we should proceed to reach an agreement on conventional forces this year in CFE, along the lines presented by the Bush administration in May.

Was this written before the State of the Union message?

Dr. BROWN. Yes.

In my oral testimony, Senator Gorton, I pointed out that this was written before then. And events catch up with prepared testimony.

I regard the President's statement in the State of the Union address urging a reduction to 195,000 U.S. and 195,000 Soviet ground and air troops in Central Europe as a valuable modification of the previous proposal, but essentially a substitute for it.

Senator GORTON. Do you have any concern that any agreement is likely to be outpaced by events, just as the May proposal was, and that any such agreement carries an implication with it, that we approve of the Soviet Union retaining troops in Central European countries which want them gone lock, stock and barrel?

Dr. BROWN. Any such number is a ceiling, at least so far as the agreement is concerned. Whether it is a floor depends on other circumstances. And I would distinguish the Soviet position in Eastern Europe from the U.S. position in Western Europe.

They are similar in that now at least they both seem to depend somewhat on the consent of the countries concerned. They did not always in the past in Eastern Europe, but for us they always have and they always will depend upon the agreement of the Western European countries.

I do not think that U.S. forces have to go to zero in order to get Soviet forces to go to zero. So I would make a distinction there.

I agree with the implication of your question that political events are going to drive and sometimes will overtake agreements. And I am not sure that there will be agreements of the same form after CFE I.

But I think CFE I is worth nailing down for several reasons.

In the first place, although it would be difficult for the Soviets, say, to reverse unilateral actions, it would be more difficult for them to reverse agreed actions. It would be in violation of a treaty.

In the second place, the verification regime that will be part of a CFE agreement is valuable in itself. And then perhaps it can be applied to unilateral steps afterwards. But it is important for us to be able to verify—and the Soviets probably feel the same way about our forces—where they are, what state of readiness they are actually in, and how many of them there are. And that is important.

And I think it is best incorporated in an agreement.

Senator GORTON. Thank you, Mr. Chairman.

Chairman NUNN [presiding]. Thank you, Senator Gorton.

Senator Bingaman, you are next on my list here.

Senator BINGAMAN. All right.

Thank you, Dr. Brown. I appreciate your testifying.

I would like to ask about short-range nuclear weapons in Central Europe.

As I understand our present position on arms control, with regard to those weapons, it is that we will do nothing to negotiate any reductions in those weapons until the CFE agreement is completed and ratified by the Senate.

It strikes me that with the changes that are occurring, particularly in East and West Germany, we are getting ourselves into an absurd situation. We have money proposed in this budget to substantially increase the spending on the follow-on to Lance short-range missile, from $33 million to $112 million in this budget.

I know that when I asked Secretary Cheney about this, he said well, this is part of what we agreed to with our allies in May. My understanding is we forced our allies to agree to this. Essentially, this was our position, and the Germans reluctantly agreed.

Is not this something we ought to take the initiative on at this point, to pursue meaningful negotiations on short-range nuclear missiles in Europe? Is this something we can just continue to put off until we get a ratified treaty in this other area?

Dr. BROWN. I think this is one case, Senator Bingaman, where political events will drive the United States to take actions, whether or not there is a negotiation, whether there is an agreement or not.

What happened in May I understood to be somewhat more of a compromise than what you implied. The agreement was not really what the United States wanted. The United States wanted the allies, and specifically the Germans, to agree that there would be a follow-on to Lance installed on German territory. And the compromise was to kick the can ahead of us, essentially.

But that was May and this is February of the next year. And a lot has happened, specifically in Eastern Europe and East Germany.

It is now clear, to me at least, that there is not going to be any follow-on to Lance installed on German territory. That is a changed situation. And it is hard for me to see how Congress will go ahead under those circumstances with that particular development.

But there is a more fundamental question, and that is what sort of nuclear guarantee involving what sorts of nuclear weapons will the United States give to European security and stability?

One approach would be—I do not take it—but one approach would be we do not need any nuclear weapons in Europe; the U.S. strategic forces are enough of a guarantee.

As I say, I do not think that is enough, because the old question of exchanging Pittsburgh for Hamburg is even more to the fore now than it was when we had more of a confrontational situation in Europe.

I think there probably has to be some theater nuclear weapon deployment in order to provide that guarantee. I do not think that British and French nuclear forces are going to provide enough of a guarantee to the Germans. And I think that they would prefer a U.S. guarantee.

Now they are ambivalent, probably, about how to do it. If you say, let us put them on land, they say, no, that is too intrusive. If you put them on sea, they will say, no, that is not visible enough. It is an understandable dilemma.

As I say, I do not think ground-based, ground-to-ground missiles are going to be acceptable. Maybe sea-based would be.

I myself think that what makes most sense is an air-launched cruise missile based on tactical aircraft, based both in Germany and in other European countries. The Germans would then not feel so singular. The bases would be on their territory, but on others also. And the range would be such that they would not be confined to East Germany, Eastern Europe, or the non-Soviet Warsaw Pact forces.

So that is a possibility.

But before we get into any negotiations, I would like to see an allied agreement that they want a U.S. nuclear guarantee that includes some nuclear weapons in Europe, and that we will stick by that in any negotiations.

Otherwise, I am afraid that again we will get into a bidding contest where we wind up with zero. And I think that would be a problem, not only as it regards deterrence of the Soviet Union, but as regards the general feelings of Europeans about the need for a nuclear guarantee in a nuclear world.

Senator **Bingaman**. Let me ask about one other program, and it is part of the SDI program. I understand the President and Secretary Cheney and Mr. Sununu are going to visit California tomorrow to get an updated briefing on the Brilliant Pebbles program.

I will just tell you my own view on the thing. It seems to me that with our change in relations with the Soviet Union, the justifications for going forward with this early deployment option, if they ever existed, are much less valid today.

And Secretary Cheney, when I asked him about this, indicated that he thought it was still as important as ever for us to give the President the option, give him the capability to make a decision on deployment as soon as possible of one of these kinetic kill capabilities, and Brilliant Pebbles is the most likely candidate.

It seems to me a waste of money. We have got a very major increase in funding requested for that part of the SDI budget.

I would be anxious to get your views on whether we ought to go ahead and fund that request.

Dr. **Brown**. Some interesting ideas have come out of the SDI program and some interesting technologies. I believe that it is useful to continue a research and technology development program. As I look at the efficacy of any system that could be deployed in the near term, and I look at the countermeasures that could be deployed against it, I do not think it would add to our security.

Various arguments keep being made for SDI and the fact that the purpose keeps changing suggests to me that a justification is still being sought, rather than one having been found.

My own judgment is that being able to destroy half the SS-18 warheads, for example, is not enough of a justification. The argument that it would further complicate a Soviet planner's thinking and ability to launch a successful surprise attack on our retaliatory forces assumes that it is not complicated now and that a Soviet planner could have some reasonable expectation of success now, and that is just not true, in my view, so that it does not add very much to our deterrent.

What it could do, I think, is destabilize, because it would be an unknown degree of capability and we would have to assume that the Soviets would have some sort of capability of ballistic missile defense as well. That, I think, would probably complicate our retaliation more than ours would complicate their attack plans, so that is not a justification.

Now one hears the justification of defending against a third country, a Libyan nuclear capability. Well, I would think that we would have to put a lot of money into our Customs Service before we would start to worry about delivery by ballistic missile, because there are other ways to deliver nuclear weapons and they are a lot easier. They do not necessarily involve ballistic missiles. They could involve smuggling something in, flying it in with a very light aircraft of the kind that now penetrate the U.S. borders all the time, and so forth.

So I do not see the justification for an early deployment, or even for getting ready for a deployment decision during this decade. I have not changed my view on that over the past years.

I would agree that the political evolution in Eastern Europe strengthens that view, but only marginally. I do not think I have really changed my mind.

Senator BINGAMAN. Thank you. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Bingaman. I believe Senator Wallop is next.

Senator WALLOP. Thank you, Mr. Chairman. Thank you for a thoughtful statement, Dr. Brown. I was intrigued by a lot of it, and I am particularly intrigued by your caution against getting ahead of the curve and over-reducing a military capability.

My first question goes right to that in concept, because I worry about it, about people spending the peace dividend that has yet to be declared, and I worry when you get ahead of the curve—it can turn into a wave and wash right over the top of you. In light of your counsel, I think either in your testimony or in response to a question, I cannot remember which, you said that we would abandon rail mobile MX and move to Midgetman.

I guess in light of your counsel that we not get too far ahead of the curve, and given the Soviet capability with SS-18s, SS-24s and SS-25s, such counsel would, I think if we were to follow it, tend to lead to a power vacuum that would tempt a saint.

We do in fact know how to build and deploy air-rail mobile MX. We do not yet have a Midgetman—only the silos in which, as you said, we could place them. But I have got to feel personally that unilateral acts to ensure stability, as you have counseled us, are in fact themselves very destabilizing. Would you comment?

Dr. BROWN. Yes. I think it is a reasonable question and a reasonable concern. I think that rail mobile MX is not stabilizing, simply because it is so vulnerable to a bolt out of the blue attack. Such an attack is admittedly improbable, very improbable, but it is the improbable that you want to ensure against if you are trying to ensure stability.

The SS-18 and the fixed MX, silo-based MX, are in some sense equivalent, but not in numbers. I mean, the Soviets are at more than 300. We are at 50. The Soviets have agreed to come down to 150, which reduces that detailed imbalance, but does not remove it.

I think that it makes sense to develop and deploy in silos the Midgetman, because it is a single warhead missile, and by definition, therefore, more stabilizing. But the real stability is produced by the combination of our strategic forces.

It is true that the Soviets have a lead in numbers of the ICBM part of the force and in its survivability, because they have mobile ICBMs. On the other hand, our submarine-launched ballistic missile fleet has a substantial advantage over theirs, and our bomber force is much more impressive, although to some degree that is balanced by their greater air defense capability.

When you look at all of those together, I would say that the forces are comparable and both are very robust deterrent forces. Neither is effective as a disarming first strike force.

Now, it is not as stable as I would like, and therefore I would like to see some modernizations, but I think they can proceed slowly and selectively.

Where I do not agree with you is that you have narrowed in on one piece of the force and said, they are ahead of us there, which is true, but it is not the overall strategic balance.

Senator WALLOP. That I understand, and agree with you. On the other hand, I narrowed in on it because you narrowed in on it in that dimension. Surely if a rail-mobile MX is vulnerable to a bolt from the blue, so, too, is a fixed base Midgetman.

Dr. BROWN. It is. On the other hand, that piece of the force is vulnerable but the whole force is not vulnerable. You do need to ensure against the possibility—and it is a remote one, but it is not zero—that the submarine force may become vulnerable at some time. That is why I would say let us go ahead with the Midgetman, let us put it in silos, and be ready and able to go mobile with it over a period of years, and it would take a period of years, should the submarine force become more vulnerable. That would give you a real survivable ICBM force, which I think the rail mobile MX does not.

Senator WALLOP. Of course, you and I would differ on that point. I think you could make it quite survivable by defending it, but that takes longer than my 6 minutes.

But what worries me, frankly, is that I have watched the whole arms control process and I have watched Congress continue to prove its sincerity to the process by taking unilateral acts. We will negotiate levels to which Congress is unprepared to build, and that is one segment of the many segments of which you spoke. You also suggested, and I think wisely, that we go on with B-2 to find out what its capabilities will be.

But if we were to commit now not to go to rail-mobile MX and build a Midgetman which we do not now have. Congress has great appetite for things that we do not have and has no stomach for building things that we do have. I would rather go ahead with something that we have, as you have counseled, even with the B-2, because until the arms control process is more clearly defined, I do not want to see us left with big gaps that we are entitled by negotiation to have.

Dr. BROWN. I think there is another piece of this that is needed to fill out the picture, and that is the possibility—I would hope it is more than a possibility—of trading off the rail mobile MX against the rail mobile SS-24. I would think that would be a very good trade.

Senator WALLOP. It would be a good trade-off, but I would rather see it traded before I committed to building the other thing first. I do not want to cede it, I guess, and that is what worries me about counsel such as yours and actions such as I have seen Congress take in anticipation of conclusions that might be negotiated but for which there would be suddenly no reason for the Soviets to negotiate.

Dr. BROWN. This is a product of the way our Government is organized. I think we have to live with it, and I think maybe the Soviets themselves are going to find themselves living with something similar before too long.

Senator WALLOP. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wallop. Next is Senator Shelby.

Senator SHELBY. Thank you. Dr. Brown, I wonder if you would, with me, focus back on NATO, the future of NATO and the events that are driving German unification.

Will NATO survive with a unified and possibly neutral Germany, and if it will, how? How will it be configured?

Dr. BROWN. If Germany declared itself neutral and opted out of NATO, I think the survival of NATO itself would be problematic.

Senator SHELBY. Very much so.

Dr. BROWN. And especially because if Germany is out of NATO and NATO continues to exist, the Germans are likely to see NATO as being directed against it as much as against the Soviet Union, and that would be a very unfortunate situation.

One can posit all sorts of complicated proposals. One Senator Cohen mentioned is one raised by Foreign Minister Genscher.

Another one that has occurred to me and is probably quite fanciful, but since all these are being tossed out on the table, I will toss this one out. It is conceivable that a unified Germany could opt out of the NATO military organization, but stay in the alliance to continue the fancy, the French might reverse the process. The French are now out of the military organization, but in the alliance, and they could reverse that situation. That, again, would be a situation in which you would be setting Germany in a different arrangement from that of the other NATO allies. For that reason, I do not particularly like it. But all sorts of possibilities exist, and we do not know which ones are going to be politically realistic.

Senator **Shelby**. Well, a lot of possibilities will be driven, as you said, by political events. It has been, what, nine years since you were Secretary of Defense.

Dr. **Brown**. Yes.

Senator **Shelby**. A lot of changes have occurred in the last 3 months, 6 months, and so forth.

If these events do move toward a unified Germany, as they look like they might, do you believe the Soviet Union would let unification occur without some type of German neutrality?

Dr. **Brown**. A year ago I would have said no, I certainly would not have believed it. But that was a year ago. And, again, a lot of things have changed.

I would expect the Soviet Union would want some sort of security assurances, but what form those would take, I simply do not know.

As I indicated, I think the Soviets have a very significant card in this game in the several hundred thousand troops that they have in Germany, and I do not think that anybody is about to push them out by force. So, I expect some sort of negotiation on this as well as pressures from the political process in Germany.

Senator **Shelby**. As we are looking down the road as planners, should we not take into account these possibilities since these are not too remote in the eyes of most people: That is, the future of NATO, where are we going, what is our next step, should we basically rely on our nuclear weapons and a fast mobile force?

Dr. **Brown**. As I indicated, I think it is important for the United States to have a security commitment in Europe, and I think that must include or should include some U.S. forces of some sort in Europe.

Senator **Shelby**. Whether they are in Germany or someplace else?

Dr. **Brown**. Yes. It is hard to say where they would be if they were not in Germany. They could be in Britain, but that is somehow not the same thing.

Again, we are speculating, but there will be difficulties about a unified Germany in NATO. If they can be resolved, a unified Germany in NATO is the best solution from our point of view. If it cannot be in NATO then, as I said, the future of NATO is problematical and what would be very important in that case is to find some overall security regime in which the United States could play a part in Europe.

Senator **Shelby**. Could anchor itself somehow.

Dr. **Brown**. That is right.

Senator **Shelby**. Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Shelby.

Dr. Brown, I just have one question, and you alluded to it in your testimony, and I am not sure whether it was in the presentation to the Budget Committee or your presentation to us here today. How would you go about developing the concept of U.S. aid to Eastern Europe and/or the Soviet Union? What would be your criteria on how important you think this is?

Dr. **Brown**. I would put those two cases in different categories, Mr. Chairman. Eastern Europe has already started to move toward—not all the way, and it is different in each country—

toward democratic forms. And in several of those countries, substantial movement toward market economies has taken place.

Moreover, they are smaller than the Soviet Union by far, and the problems, difficult as they are, are correspondingly more manageable with amounts of aid that might be feasible from the United States and from Western Europe.

In my testimony yesterday to the House Budget Committee I suggested that $5 billion in foreign aid increased economic aid to Eastern Europe and Latin America could have very great advantages for U.S. security. In Eastern Europe it seems to me that might take the form of loan guarantees, and direct aid in some cases, especially food. Getting through this winter, for example, may be quite difficult for some of those economies. I suggested that aid of various kinds, although not comparable in effectiveness to the Marshall plan because Western European economies were much more developed then, would return significant returns to world trade and to an improvement to the world standard of living. So, there is something in it for us.

There is also something in it for us, I think, in political terms. Right now my impression is that the United States is extremely popular in Eastern Europe—more popular than in Western Europe—and that this is in large measure a consequence of Eastern European dislike, disenchantment, however you want to say it for the Soviet Union.

And also I think there are ethnic ties between various groups in America and Eastern Europe, which is a very valuable political factor.

But if no aid is forthcoming and they run up against hard times, I think that their attitude toward the United States will change. Therefore, I would urge that we provide aid to Eastern Europe, even while recognizing that primarily that is going to be a job for Western Europe and especially for the Federal Republic of Germany, which has the resources and the business and industry and banking connections already into Eastern Europe that will make it the main engine of Eastern European economic development.

In the Soviet Union I think the situation is different. I think that the economic system has not moved nearly so far toward a market economy. Under those circumstances, I think the United States is much less able to help.

Moreover, the U.S. relationship to the Soviet Union is not the same as it is to Eastern Europe, either before the changes or after the changes in Eastern Europe. Indeed, my approach to this in a talk I gave in November of 1988 at the RAND Corporation was "encourage but do not subsidize."

We ought to encourage Soviet democratization. We ought to encourage Soviet movement toward a market system. Among other things, that should take—and I think is beginning to take in administration policy—the form of encouraging Soviet admission to the international financial bodies of various kinds insofar as the Soviets are willing to meet the necessary criteria of disclosure of economic facts, of disclosure of reserves and so forth.

But U.S. direct aid to the Soviet Union I think does not make sense. Encouraging business ventures by American companies in the Soviet Union, yes, but not guaranteeing loans, not subsidizing.

I would suggest also loosening technology restrictions, but only in the following way. Not loosening them with respect to genuine military technologies. In fact, I would build higher walls around those. But on dual use technologies, on things that the Soviet Union, let alone the Eastern Europeans, can get from other sources and will get from other sources, I am all for easing restrictions on that kind of thing, and I see movement on that in the administration.

Part of the problem is that the regulations are so complicated and the process is so choked up. I would think that easing quickly with respect to Eastern Europe and easing more carefully with respect to the Soviet Union would be a way of helping the economic situations in both of those areas.

Chairman NUNN. Does not the situation regarding technology transfer change rather significantly once there is de facto economic unification between West and East Germany?

Dr. BROWN. Yes, but that has already happened, in fact. East Germany has been a part of the EEC by the back door in a kind of tacit way, both in being able to sell goods freely into the European Common Market and to get goods from Germany.

Now, we have kept—and I think the Germans, the Federal Republic, has lived up to this—strictures on the export of military technology which the East Germans have not, therefore, gotten. I think you are right, that as economic unity proceeds, even more rapidly than political unity, that is going to erode. A common currency will not do it, but common enterprises will, depending on what they are.

Volkswagen, I guess, is already getting parts and will probably establish a factory in East Germany. Daimler-Benz may do the same thing. If MBB starts to, then I begin to have some worries.

Chairman NUNN. Dr. Brown, thank you very much for your testimony. We will incorporate your Budget Committee testimony into the record. We hope you will stay in touch with us because there are a lot of blanks in this budget.

We have only seen the Secretary of Defense so far identify about half the savings. He has identified over the 5-year plan $167 billion in savings. Right now there are about $80 or $85 billion of those that are not yet found.

We also have a major review underway on five of the major aircraft systems that we have talked about here this morning, and we will not hear on that until April, so it is understandable the Department of Defense is going to be thinking through this process over the next 2 or 3 months, but we are a long way from having a blueprint now with which we can make decisions.

As we go along, we will stay in touch with you and ask your advice.

Dr. BROWN. I would be very happy to do that, Mr. Chairman. I agree that the department, the administration, and the Congress has some very difficult decisions to make. Thank you very much.

Chairman NUNN. Thank you.

Tomorrow morning we will be in SH, which is the Hart Building, room 216, at 9 a.m. to receive testimony from Gen. John Galvin, the Commander-in-Chief, U.S. European Command, and Adm. Frank Kelso, Commander-in-Chief, U.S. Atlantic Command.

The hearing is adjourned.

[Whereupon, at 11:16 a.m., the committee adjourned, subject to the call of the Chair.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

WEDNESDAY, FEBRUARY 7, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS FOR NATO DEFENSE

The committee met, pursuant to notice, at 9:10 a.m., in room SH-216, Hart Senate Office Building, Senator Sam Nunn (chairman), presiding.

Committee members present: Senators Nunn, Exon, Dixon, Gore, Warner, Thurmond, Cohen, McCain, Wallop, Gorton, Lott and Coats.

Committee staff members present: Andrew S. Effron, general counsel; Richard DeBobes, counsel; and Daniel G. Sakura, research assistant.

Professional staff members present: Robert E. Mayer, Robert G. Bell, Richard E. Combs, Jr., John J. Hare, William E. Hoehn, Jr., David S. Lyle, T. Kirk McConnell, Michael J. Accord, and Frederick F. Y. Pang.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Brian D. Dailey, Judith A. Freedman, George W. Lauffer, Durwood W. Bingo, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara Gallo, Lisa B. Hastey, Mary J. Kampo, Claire M. Kelly, and Melissa Ann Ramsey.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; John Gerhart, assistant to Senator Bingaman, Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, assistant to Senator Glenn; Milton D. Beach, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terence M. Lynch, assistant to Senator Shelby; Melvin G. Dubee, assistant to Senator Byrd; James M. Bodner, assistant to Senator Cohen;Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Lee W. Whittaker, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott: and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

On January 23, 1990, the Committee on Armed Services initiated a series of hearings on the implications of the dramatic changes in the Soviet Union and in Eastern Europe for our national security policy, our military strategy, and ultimately our defense budget.

The testimony to date has been very thoughtful and helpful. Some very important information and observations have been offered which appear to represent somewhat of a consensus in the defense community. Lieutenant General Soyster, the Director of the Defense Intelligence Agency, testified in open session, "In light of these developments in Eastern Europe, I believe that the Soviets would consider large scale theater operations against NATO with their own forces as highly risky, if not impractical."

Former Secretary of Defense James Schlesinger told the committee, "Military balance has been radically altered. How long the Warsaw Pact may survive as a political institution is an open question, but its role as a military alliance and a military threat is largely broken."

While these developments of the past 4 months have been very positive, I think it's also important for us to recognize that the Soviet Union still possesses substantial military capability. I also think that we need to recognize that we are living in a period of unprecedented change and potential instability. The signs are hopeful, but the instability certainly has increased. That is a natural part of change.

This morning we meet to receive testimony from Gen. John Galvin, Commander in Chief of the U.S. European Command and the Supreme Allied Commander of NATO. We have had General Galvin here in other roles, and we are indeed grateful to have him back at this very eventful time in history.

We also have the familiar face of Adm. Frank B. Kelso, II, Commander in Chief of the U.S. Atlantic Command, on military strategy and operational requirements for NATO defense. He has been here on a number of occasions, and has always been most helpful to the committee.

They are going to be speaking on the subjects I have previously mentioned. The burdens that these two officers carry are always substantial but have never been greater than they are now. These commanders have day-to-day responsibility for maintaining our defense during this period of uncertainty, while advising our Government on changes that should be contemplated for the future. Their perspectives will be important as the committee evaluates these far-reaching changes and reviews the Department's Five Year Defense Plan (FYDP) and budget request.

General and Admiral, we are inevitably going to get into the details of the budget as we go along in these hearings and the subcommittee hearings. We have tried to focus first of all on the threat and the evolving situation in the world as a background for the budgetary consideration. So we will welcome your comments on any of these subjects this morning, including on the budget. I know you will be bringing us up to date on your perspectives, which will be helpful.

Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman. I join you in welcoming our guests. Thank you very much.

Chairman **Nunn**. General Galvin, do you wish to lead off this morning?

STATEMENT OF GEN. JOHN R. GALVIN, USA, COMMANDER IN CHIEF, U.S. EUROPEAN COMMAND

General **Galvin**. Thank you, Mr. Chairman. I would be happy to do that. I submitted a statement; therefore, I would simply like to add a few words to start off.

I joined the National Guard in the State of Massachusetts in 1948 as a medic. I was in pre-med school at the time. Between 1948 and 1949 I became pretty much convinced that my own future as a young man was one in which the world was going to be at war. I applied for a National Guard appointment to the military academy.

I remember that when I was a cadet at the academy, General Eisenhower, who was the Supreme Allied Commander, Europe in 1951, stayed there. I was so proud. I reread a letter the other day that I wrote to my dad saying, "Ike is here preparing a speech in which he is going to be asking for troops for deployment overseas to Europe for NATO."

A lot of time has gone by, and in fact I guess I could say now that in many ways my entire career has been in that war which turned out to be the Cold War rather than what I had feared it might be.

The second half of this century has been different from the first half in that sense. We had some visions that maybe we did not have in the first half. There was the Marshall Plan; there was NATO; there was Allied Command, Europe. Now we are seeing the payoff. We are seeing the results of having vision and will as a Nation. There was a lot of sacrifice in those years.

Now as we come to what may be the disintegration of the Cold War, certainly more has happened than people like George Kennan ever thought might as far as containment of the Soviets is concerned, question is, do we have the will to see this thing through to its end, to its successful end, with a well-organized and well-supported approach?

To turn to the threat which you mentioned, Mr. Chairman, I know a lot has been said here, and I read some of the previous testimony. I would simply like to say that as the Supreme Allied Commander and as Commander in Chief of the U.S. forces in Europe, I deal more with the threat as it exists today than as it might exist 5 years from now, because if anything happens today, that is my responsibility. If anything did happen, I am sure that you would turn to me and say, "Were you aware and what kind of thought had you put into this?"

I would like to say that while things are looking really good for us in the West and for us in the United States, every once in a while in our deliberations we need to take a cold, hard count of what the Soviets look like. Certainly it is true that the Warsaw Pact is not only in transition but that there is great doubt that the

Soviet Union could pull it together to do anything militarily that the Soviets wanted it to do.

The Soviets right now have about 185 divisions if you look at the ground force. There are about 6,700 combat aircraft if you look at the air. They have a powerful navy. Of those 185 divisions, a total of about 125 of them are still oriented toward Western Europe. Of that 125, about 70 to 75 are at 50 percent strength or higher. Of that 70 to 75, about half of those are at top strength. So that is still quite a significant force. We have 22 divisions in the Central front. In all of Norway, for example, there are a total of 115 tanks. We are not strong in the flanks.

In addition, we are in a situation in which the Soviets have continued their weapons production. While we talked a lot lately about production figures, I would just like to say one or two things about them. In the last decade the Soviets have produced 26,000 new tanks according to the CIA. We will soon be approaching the 5-year anniversary of President Gorbachev assuming power. About half of that 26,000 has been produced under him. In addition to that, there are other figures such as 50,000 armored fighting vehicles and 6,200 aircraft.

What it amounts to is, if you look at the production of the last decade, more than the figures that we are talking about as residual figures in the CFE discussions in Vienna. The residual figure, for tanks for example, is 20,000, but the production figures for the last 10 years, that is of the T-80 and the T-72, is 26,000. Although it may not have been the original intention, they actually have succeeded in restructuring in such a way that the entire force, if we come down to CFE numbers, will be a highly modern force. In the same period that they produced 26,000 tanks, the United States produced about 7,000, maybe a little under that.

While I agree that the ability of the Soviet Union to conduct a four-front attack into Western Europe, the timing of anything like that, the ability to achieve surprise and so forth and so on, all of those parameters have changed for the better for us, we still face a formidable force. It has not gone away. The overall reduction of the force, if we do not count what is promised and we only count what is actually accomplished as of now, amounts to something like 10 percent of the combat capability that the Soviet Union had before the reduction started. That is the figure I get from the American intelligence agencies.

I think that we are on the right track in terms of showing the will to carry out the vision that we have; that is, we are engaged in the creation of a network of arms control treaties. Right now I can report to you that I have about 40 percent of the INF missiles out of Europe; that is, the Pershing II and the ground launch cruise missile. By another year all should be removed.

At the same time, under the CSCE arrangements and the Stockholm agreements, we have made more than 40 inspections of exercises in the East, and the East has made about the same amount in the West. Both sides have found that what each was saying turns out to be quite correct in terms of the type of exercises, the number of forces and so forth. More than that, both sides have gained a lot of confidence because they have had an opportunity to communicate. They know each other better than they did before.

We also know that after CFE there will be an automatic entry into an SNF or theater nuclear force discussion and negotiation. That is already part of the comprehensive concept, so that will take place. We have START going on. We have here a network which could result in a protected peace, signed on the dotted line, irreversible, verifiable, actionable in the event of any kind of violation, the likes of which Western Europe, or indeed the world, has never seen. Thirty five nations all signed in. I think that is something that is attainable, and I think that we are moving in the right direction.

I think what we also need is the will and the discipline to get there in the right way. As Eisenhower was talking about the buildup of U.S. forces, obviously my subject is the reduction of U.S. forces. I would like to see that reduction happen in a very orderly way. I support that reduction 100 percent. My mission as CINCEUR is to support SACEUR. My mission as SACEUR is deterrence and defense. If we want deterrence and if we want no war in Western Europe, then the way to get it is to reduce the size of the forces, reduce the capacity of either side to conduct a deep, sustained attack. That is the business we are going about.

Now in terms of the orderly way to do it, as we reduce I can assure you that we will not do it in a stupid manner. I will not ask you to support with military construction some installation which is going to be closed in the next couple of years so that the money is wasted.

But I think at the same time I need some help in keeping a good percentage of the military construction we have going on. We submitted the smallest military construction request that we have had since the early 1980s. It amounts to 66 projects overall.

It is under $300 million, but it is very, very important to us. It includes DOD schools, it includes clinics and hospital improvements, it includes a number of things that tell the military that although you are being reduced, and although you will see 195,000 as the bottom line, in the central region you will see a lot of people going home—something like 80,000 of your comrades—it does not mean that we have forgotten you. It does not mean that we think we do not need a quality force.

So I think that one of the ways to say that is with this military construction. It will certainly be read that way by the people that it concerns over in Europe.

I do support continued modernization both in the nuclear and the conventional fields, and I would be happy to discuss in detail such things as the Follow-on to Lance, the Tactical Air-to-Surface Missile, strategic lift, Follow-on Forces Attack, preferred munitions, air superiority, air defense questions, antisubmarine warfare questions, the close battle and the modern armored force.

Those are areas that I believe will come up. I think they should come up, and I would be happy to discuss them. I believe in my own mind that we have a great opportunity now to bring the cold war to an end in the kind of way that is satisfactory to us and in the kind of way that justifies all the sacrifices that we have made since the 1940s. And we will finally be able to say to ourselves that we did not have a major hot war in Europe and yet we achieved our goals.

I welcome the smaller force. Let us do it right, and let us keep faith with NATO and let us keep NATO. We need it for working the arms control questions.

We need it for managing all this change, and we certainly need, and will continue to need, the right level of security for the United States. And the only way to get that in the small world that we live in today is through collective security and our top priority in collective security is the North Atlantic Alliance.

Thank you, Mr. Chairman.

[The prepared statement of General Galvin follows:]

PREPARED STATEMENT OF GEN. JOHN R. GALVIN, USA, COMMANDER IN CHIEF, U.S. EUROPEAN COMMAND

INTRODUCTION

Mr. Chairman and distinguished Members of the Senate, I welcome this opportunity to provide for you my perspective on the situation in Europe as you study the U.S. requirements for a prudent national defense. As Commander in Chief, U.S. European Command, I am responsible for U.S. military activities in Europe and most of Africa, an area encompassing over 13 million square miles and including 77 nations, 126 U.S. diplomatic posts, and over 300,000 American military members. I also serve as the Supreme Allied Commander Europe, responsible to the North Atlantic Treaty Organization.

ENVIRONMENT

The past year has been one of accelerating change in Europe. The harbinger for the change by the East was the United Nations speech of December 1988 by President Gorbachev in which he announced Soviet intentions to unilaterally withdraw military forces in Europe. The impetus for change in the West was energized by NATO's 40th anniversary summit of May 1989 in which, under the leadership of President Bush, the allies established a comprehensive concept that called for incorporating arms control initiatives with a strengthened Alliance structure. The outcome of all this during the 12 months of 1989 was no less than a redefinition of the political order in eastern Europe and the nature of the relationship between the Atlantic Alliance and the Warsaw Pact.

Poland has had its first free elections in 50 years. Hungary has dismantled its border barriers. Czechoslovakia has brought to power a non-Communist government. East Germany has dismantled the Berlin Wall and opened its borders. In Bulgaria, the old line Communist leaders are under arrest. And in Romania occurred a bloody finale to the struggle for political power that led ultimately to the ouster of the old Stalinist regime. By the close of the year, every eastern European member of the Warsaw Pact had seen a major transition in its political order. Moreover, the militaries of these nations had seen reductions in either their intentions or capabilities—or both—to threaten the West.

In the meantime, within the Soviet Union there has been severe political unrest culminating in some instances in violence and bloodshed. There have been major worker strikes in the Ukraine and Siberia, protests in Moldavia—some of which have demanded the discontinuance of Russian as the official language, violence in Georgia, calls for autonomy and even independence in the Baltic countries, unrest in Kazakhstan, and virtual civil war in Azerbaijan and Armenia.

For a long time we in the West have been calling for change in the East. Now at last we are seeing a response. There is little doubt that the Soviets are trying to change. Under their current leadership they have entered a major period of transition, a development that will have consequences that reach far beyond Soviet borders. A transition this big, however, does not come without its uncertainties. It is a time of marked instabilities that can lead in a variety of directions. In the face of all of this unpredictability, we need to maintain a course that sets us on the road to a desired destination. We need a vision that allows us to set into action a plan that can lead to our objectives in Europe for a peaceful future secured by arms reduction treaties that are verifiable and irreversible and that allow for less confrontation between East and West at lowered levels of military forces.

When we have had vision—such as after the Second World War with the Marshall Plan and the Truman doctrine, our participation in the United Nations, and our entrance into the North Atlantic Treaty Organization—we have had a lasting peace. But when we have allowed petty concerns to blur our vision—such as the demands of the victors for reparations from the vanquished after the First World War—we have sown the seeds for future disaster. If we can come through the next decade with an action agenda to fulfill a worthwhile vision, then there is hope that the 21st century will see less bloodshed than the 20th.

RISKS

The crucial task for us is to get from where we are now to our desired destination with minimum risk. There is still danger in the world. In the midst of all the changes we see in Europe, formidable military forces yet remain. At the moment and for the foreseeable future, the Soviet Union remains the largest ground and air military power in the world. Though its economy is bankrupt and its ideology has lost virtually all appeal on the continent of Europe, the Soviets continue to outproduce in military equipment any nation on the face of the earth. While they have been following through with their promised unilateral reductions on a reasonable timetable, they have been careful to maintain their combat capability. The Soviets have made some reductions, but they are also modernizing, reorganizing, and redeploying. In short, they are restructuring their forces in such a way that their combat potential has decreased only slightly since 1988.

For example, while three tank divisions have been removed in the last year from East Germany and Czechoslovakia, many components of these divisions have remained behind. Tanks have come out, but artillery pieces have been shifted to residual units, upgunning batteries from six to eight guns and battalions from 18 to 24. Towed artillery pieces in divisional units will be replaced by self-propelled systems. Infantry has remained, and armored personnel carriers and infantry fighting vehicles have come forward. In many ways, Soviet capacity for combined arms warfare has been improved.

Soviet mobility has remained impressive. They retain 3,000 heavy equipment transporters for European contingencies, enough to move over 90 battalions of tanks forward quickly. We observed in Azerbaijan how capably the Soviets can introduce forces into even remote areas. They were able to move in tens of thousands of troops and their equipment quickly against armed resistance in the dead of winter. Their air defense assets remain formidable, and they have taken steps to streamline command and control. Overall, improvements in mobility, flexibility, protection, intelligence, and command and control provide the Soviets with greater survivability and responsiveness.

During the first 4 years of Mr. Gorbachev's leadership of the Soviet Union, production continued unabated. In fact it increased in a number of significant areas. In the last 9 months tank production has gone down, yet remains at almost double the rate of the West. Modern aircraft like the Flanker, Fulcrum, and Blackjack, quieter and more elusive submarines like the Akula-Class SSN, surface ships such as the Tbilisi-Class aircraft carrier, theater and strategic missiles like the SS-21, SS-N-21, SS-18, SS-24, and SS-25, and all types of air defense systems such as the SA-10 and the 2S6 continue to be produced. This heavy production has created a modernized conventional and nuclear force in every category of air, land, and sea. Quantity is being replaced with quality. Given the uncertainties and unpredictabilities in Europe, this should be of concern to us. As force levels go down on both sides, differentials in quality take on increasing significance.

WARNING TIME

Recent intelligence analysis concludes that the warning time we can expect for a major Soviet attack into western Europe has increased. It stands to reason that as the Soviets reduce their force structure and as their Warsaw Pact allies become less reliable, mobilization and deployment would be detectable and would take longer; however, increased warning time means little if we cannot respond in time.

Operational and strategic surprise always remains a possibility; our history can attest to that. Pearl Harbor in 1941, the Battle of the Bulge in 1944, Korea in June of 1950 when the North Koreans attacked and again in November of 1950 when the Chinese intervened, Hungary in 1956, Czechoslovakia in 1968, and Afghanistan in 1979 are all reminders of the possibility of surprise. We should therefore avoid reducing force readiness in anticipation of increased warning time. As it is right now the United States is not capable of fulfilling its reinforcement commitment to NATO. Although we may have some additional time to move our forces from North America to Europe in a post-CFE environment, we must still take into account the inherent advantages of time and space the Soviets have in generating forces and deploying them.

ARMS CONTROL

A major element of our strategy must be arms control. With the proper vision we can create a network of treaties that ensures greater security in Europe at significantly lower levels of forces. We need signed, verifiable, and irreversible treaties, however, for without them we are merely hoping for peace, not ensuring it. In the attainment of strategic objectives, hope is not a method; for example, the Kellogg-Briand Pact of 1928 denounced war as an instrument of national policy, but was painfully inadequate to stop the onslaught of the Second World War.

We are now involved in a number of arms control initiatives. In 1988 we began the implementation of the Intermediate Nuclear Forces (INF) agreement. Currently, we are almost 50 percent of the way along in the removal of an entire class of nuclear weapons from Europe. At the same time we are abiding by the Stockholm Accords signed in 1986 under the auspices of the Conference on Security and Cooperation in Europe (CSCE). To date, the 35 signatories to those documents have made 48 observations and 33 inspections of military exercises.

The major current initiative in conventional arms control is the prospect of concluding an agreement on conventional forces in Europe (CFE). The outcome of these negotiations promises to be the most significant conventional arms control agreement ever reached. Simultaneously, we can hope to make progress in reducing strategic nuclear forces by up to 50 percent and in reducing chemical weapons in bilateral talks with the Soviet Union.

Once CFE has been negotiated, signed, and implemented, then we can consider a treaty on short-range nuclear forces (SNF). Such forces will continue to be required and will remain an integral part of our strategy of flexible response. However, we may be able to bring our nuclear stockpile down to lower levels provided the Soviets agree to parity. Each one of these arms control initiatives by itself has enormous implications for a more peaceful future. Taken together, they offer our progeny a far more secure world than anything seen heretofore in the 20th century. Negotiated treaties are far more desirable than unilateral reductions. Without a binding treaty and the verification regime that comes with it, unilateral reductions can be reversed. We could find ourselves in the awkward position of pulling back our forces without any permanence in the reductions taken by the other side.

STRATEGY

Deterrence of war remains our primary goal in Europe. NATO's strategy of forward defense and flexible response continues to be the best way to ensure that goal is met. One of the unique qualities of this strategy is its ability to adapt to changing situations. It preserves the territorial integrity of our Alliance and allows us to meet any attack with the level of response necessary to defend ourselves. Inherently, it is a mobile defense that not only suffices for today's conditions, but will also prove adequate as we move into a CFE agreement and beyond.

We must, however, have the appropriate resources if we are to be able to successfully implement our strategy. That means we must have the assets that allow us to respond across our range of options—direct defense, deliberate escalation, and general nuclear response.

THEATER REQUIREMENTS

The force reductions envisioned in the CFE negotiations do not diminish our need for a modern theater nuclear force. NATO seeks to deter aggression by having capable conventional forces backed up by a survivable, credible nuclear capability. The critical linkage to the strategic forces of the United States is the theater nuclear force. It is simply not credible to believe that should conventional forces in Europe fail to hold back an attack then the next step would be escalation to strategic forces—and without that credibility deterrence is weakened.

The Soviets have been diligent in modernizing their theater nuclear forces. The Frog missile is being replaced with the SS-21. The SS-N-21 has been introduced. In nuclear-capable artillery the Soviets will retain a 4 to 1 advantage over NATO; in missile launchers they will retain a 16 to 1 edge.

It is therefore imperative that we continue to modernize our own theater nuclear weapons. Specifically, we need to continue to field modern dual capable aircraft armed with the SRAM-T, thereby enhancing our standoff capability, and develop the Follow on to Lance missile. With greater mobility, reliability, range, and survivability than any of the theater nuclear forces we now have, Follow on to Lance will strengthen deterrence.

Reinforcement is also key to deterrence and defense in Europe. We need to continue our balanced approach to building strategic lift and completing our stockage of forward-deployed equipment (POMCUS). The C–17 aircraft is the best way to ensure the timely arrival of some of our critical equipment and forces in theater. However, since 95 percent of our requirements must travel by sea, we need to invest in the infrastructure and ships to get them across the Atlantic. We estimate that in the first month alone, we will require approximately 1,000 shippings to reinforce Europe. That means that we will need enhanced sealift to get forces to Europe on time.

With fewer forces in place, mobility grows even more important. To gain a mobility differential, we must increase our ability to maneuver while we slow the enemy down by delaying, disrupting, diverting and destroying him. Our follow on force attack (FOFA) capability will remain a critical component of our defensive doctrine. We will need to "see deep" in order to uncover enemy massing and maneuver. JOINT STARS is the centerpiece of our ability to do this. It orchestrates the countermobility effort. The Joint Tactical Fusion Program is an Army and Air Force effort to develop an automated system to correlate and analyze high volumes of time sensitive data and disseminate the results to the battlefield commander. ATACMs is the first step toward a joint improved conventional missile system that is able to attack important targets beyond the range of cannons and rockets, while the Tacit Rainbow missile addresses a critical shortfall in our capability to suppress the surface-to-air missile threat. Tacit Rainbow complements the Harm missile as well as electronic countermeasure systems and will be a force multiplier by increasing both sortie effectiveness and sortie generation rates.

Nonetheless, we can expect to be engaged by large masses of Soviet combat power in the close battle. The Army heavy forces modernization and armor/anti-armor programs are important to the outcome of those engagements. Just as important are air superiority capabilities and preferred munitions. These programs are not solely justified by the needs of the European theater. Their usefulness extends into many other theaters as well.

We must make the most of remaining forces in Europe in the future by ensuring that they are fully ready to execute their mission. A key factor in the readiness process is Operating Tempo (OPTEMPO), which is the frequency and duration of our operations and training on our vehicles, planes, ships, and other weapons systems. Our forces must have the wherewithal to train effectively. In addition to making sure that we have the right number of flying hours, vehicle miles, ship steaming hours, and training munitions available, we must also ensure that we have the right training mix of computer simulation, field and command post training exercises, and individual training events. We have made significant progress in this direction, resulting in decreases in the scope, size, and expense of major exercise programs while enhancing the training benefits to different echelons of command. Facilities such as the Combat Maneuver Training Center provide the environment in which our battalion-sized units can conduct combined arms training and experience realistic pressures and decision-making challenges in facing combat adversaries. The Warrior Preparation Center is a joint Army/Air Force facility that provides computer simulation of combat at the operational level of war for commanders and staffs. Extensive use of simulation enhances the quality of training while minimizing the requirement for costly, large-scale exercises.

People remain our most important resource. Forward deployed American forces and their families deserve the best possible support as they serve their country. The ultimate strength of the American fighting force is its people. We must make every effort to ensure that they receive quality health care, decent housing, a quality MWR program, and a workplace in which they can take pride. Supporting our people signals our commitment to them, strengthens their morale, and is returned many times over through their increased dedication to mission and enhanced combat readiness. They deserve a living and working environment that promotes pride, professionalism, and individual dignity. Providing this will continue to be a top priority.

To that end, military construction is a critical part of all of our programs. The U.S. European Command's Milcon request for fiscal year 1991 is the lowest since fiscal year 1982. It is the program that gives our troops decent housing, barracks, schools, and health care; allows them to maintain and protect the modern equipment that our Nation has procured and fielded; and provides a professional workplace for our soldiers, sailors, airmen, and marines. The 18 projects I am requesting for Army forces and the 24 for the Air Force are focused on giving our people quality living and work spaces and supporting readiness and training. The small Navy program of six projects is oriented on facilities for maintenance and operations. There are also eight medical facilities that are especially important, along with 10 DODDS school projects to correct substandard, aging, and overcrowded buildings. The enormous pressures on the DOD budget should not be allowed to overshadow the fact that these facilities support our forward deployed forces.

DOD REORGANIZATION ACT

The achievements of the Goldwater-Nichols DOD Reorganization Act of 1986 have been satisfying. The traditional chain of command has been strengthened in the areas of joint operations and exercises. My advice is sought on all significant planning and programming issues affecting the European theater. I have seen an increase in the quality, professional education, and promotion rates of officers assigned to the USEUCOM staff. As I have noted previously, a fully implemented biennial defense budget would be a marked improvement in the DOD reorganization effort.

CONCLUSION

I appreciate the opportunity to appear before this committee and present my views. My central theme has been that in these times of change that offer us both great opportunities and risks we must proceed with stability and vision. I look forward to working with you so that we can do just that.

Chairman Nunn. Thank you very much, General Galvin. Admiral Kelso?

STATEMENT OF ADM. FRANK B. KELSO, II, USN, COMMANDER IN CHIEF, U.S. ATLANTIC COMMAND

Admiral Kelso. Thank you, Mr. Chairman. I appreciate very much the opportunity to appear before your committee this morning, and I have prepared a statement which I would request be submitted for the record, and I would like to make a few short remarks if I could, sir.

Chairman Nunn. Without objection, the entire statement will be in the record.

Admiral Kelso. Senator, I think it is clear that we are in a declining budget as far as the defense is concerned, and what I thought I would do is kind of hit two or three points that I think will be very important to us during this period.

I believe the most important issue, particularly to us in uniform, will be the ability to maintain the quality military force and people that we have today, and I think we will need your help through this era to make sure that they understand that you appreciate what they are doing and the American people still think what they are doing is important.

It has been my opinion throughout my career that the most important issue with those of us in the military from day to day is our perception of what the American people think of our job, and they will measure that support in several ways—obviously, how it is expressed verbally and by actions.

They will measure it by our ability to maintain a quality force which can meet the commitments that they will be asked to do and at the same time have a quality life with their family and friends. They will measure it in whether we are willing to provide sufficient pay and allowances as they compare with their civilian counterparts. But I think our people are very important and it will be something we have to be careful about, and I would ask you to continue to look out for them in this period.

Most analysts, as you have said, Senator Nunn, are reporting that the Soviet threat has greatly diminished, and I certainly would agree that in my career the risk of conflict is less than I think it has ever been.

But I think we must still remember that the threat consists of two parts—the will to use it and capable forces. We, I think, could make a good case today from what has happened in Europe that the Soviets are not willing to use force in the way they would in the past, and that may equate that they are not willing to use it in other ways, but from my standpoint in the maritime arena the capability of the Soviets has grown throughout the era of Mr. Gorbachev.

They have modernized their navy in every way, from new surface ships, new and quieter submarines, modernized their air forces and they are today testing their first fixed-wing aircraft carrier. So I do not see that their capability has declined any, in fact it has improved and been modernized.

Also, we have to remember that even if we discount the Soviet threat there continue to be substantial requirements for deployable military forces. Our recent history in the Mediterranean, the Persian Gulf and Panama have dictated the need for ready, quality forces, and I do not see any reduction in probably the need for forces in that way. There is great instability, also, as you noted, in our world, and it probably will not clear up in the morning, so we will continue to need military presence or force when the President of the country decides to use it.

Today, a pressing need is the drug scene, and we have started a major counternarcotics effort. As you directed last year, we have expanded in every respect what we are doing to win the war on drugs, and we are prepared to go and do more when the diplomatic situation allows us to do more so we will continue to need forces for many things.

As a result of the force reductions which we have seen over 1989-1990 and the projected fiscal year 1991 budget, particularly in surface warships, we have already cut back our forward-deployed maritime forces in some areas.

We have done so in recognition that the threat is reducing, and we have done so to make sure that we do not keep our people away from home over 50 percent of the time. We set that as a goal, and we are trying to meet that, because a reasonable deployment is one of the big factors in personnel retention. We had a hemorrhage of talent in the late 1970s and early 1980s because we overextended our people for long periods of time and they voted with their feet.

The last issue I would like to address with you is readiness. From time to time I hear the argument that now that the threat is diminished we will be able to reduce readiness because we will have a greater time to prepare to use military forces.

I do not share that view. Most of my forces readily deploy, and where they deploy is in harm's way. The Third World nations can buy capable military hardware today, and many of them have substantial military hardware and I believe we owe it to our troops to ensure they have the best technology and the best training possible before we send them in those arenas, so I do not share any thought that we can reduce readiness. It may be a smaller force, but it needs to be a ready force.

Mr. Chairman, I appreciate the difficult job you and this Committee face in ensuring the Nation maintains adequate defenses while at the same time meeting the needs and desires of all of the American people. I thank you again for your support of those of us in uniform, and I personally am very honored to appear before your committee this morning.

[The prepared statement of Admiral Kelso follows:]

Prepared Statement of Adm. Frank B. Kelso II, USN, Commander in Chief, U.S. Atlantic Command

INTRODUCTION

Mr. Chairman and members of the committee, I appreciate this opportunity to discuss the Atlantic Command and the important part it plays in our national security. I hope to provide you an appreciation of our area of responsibility, explain our strategy with present and programmed military forces and discuss our capabilities as well as areas of concern in the Atlantic Command.

As I noted during testimony last year, we are currently witnessing a period of political change. I fully acknowledge there are difficult, unprecedented decisions ahead. These decisions will be driven by a dynamic threat, competing national priorities, a constrained defense budget and negotiated force reductions. Tensions between East and West are lessening and progress is being made toward resolving some of the issues which have historically been the source of friction between the United States and the Soviet Union. The political climate is encouraging; and the world should welcome the prospect of reduced arms, reduced tensions, and reduced chance of war. However, the events of recent weeks demonstrate that change, once underway, is unpredictable and sometimes violent. Therefore, we must approach our military command responsibilities on the basis of potential adversaries' current military capability as we carefully plan to respond to potential reductions in their capability.

In evaluating the potential threat from the Soviet Union, two factors must be considered: the capability of the Soviet military forces; and the will of the Soviet Government to employ those forces. Capability takes many years to change substantively; while as the events in Tiananmen Square have again shown us, the will to use force can change literally overnight.

So our analysis of the East-West relationship must continue to take good measure of existing military capability; in particular, that possessed by Europe's dominant land power, the Soviet Union. We know the Soviets continue to build more advanced nuclear and conventional systems. Since Mr. Gorbachev assumed power in 1985 they have made improvements to every leg of their strategic arsenal from bombers to submarines. Naval modernization continues apace. The Soviet second-generation aircraft carrier program is progressing rapidly. The first two ships of this class, the "Tbilisi" and "Riga" are clearly bigger and better than the Kiev class. A third generation carrier, also under construction, will be about the size of the *Forrestal* class of U.S. carriers. State of the art submarine construction shows no sign of diminishment. How this continued expansion of Soviet naval capability fits into the newly embraced Soviet defensive strategy is an open question.

Most cuts in Soviet military hardware have been and will probably continue to be in outmoded, inefficient equipment. With respect to the Soviet Navy in particular, ongoing production of modern platforms, combined with the retirement of outdated systems could, in fact, translate directly into a more impressive Soviet wartime capability than we face today.

In addition to the reality of Soviet military capability, regional rivalries and instabilities; acts of terrorism and aggression; and international drug trafficking all present the United States with additional requirements for conventional forces capable of responding rapidly to taskings throughout the world. We must continue to maintain a cautious, intelligent approach to force reductions, ensuring the United States retains the strength to act as a stabilizing force in a rapidly changing international environment.

ATLANTIC COMMAND

The Atlantic Command is a unified command with Navy, Marine, Air Force and Army forces apportioned to defend U.S. interests in the Atlantic area of responsibility. It is also a cornerstone of NATO's maritime strength, providing the majority of forces assigned to protect our capability to reinforce SACEUR in Europe. Geographically, the command encompasses the entire Atlantic Ocean, the Caribbean and Gulf of Mexico. In addition, it includes waters in the Pacific adjacent to Central and South America, an ocean area that covers over 45 million square miles of water and borders on more than 50 countries. The Atlantic sea lines of communication are a key link between the United States and the rest of the world. Along these routes pass many of the strategic raw materials, petroleum and finished products which are the foundation of world trade and essential to our own economy. It is over these same sea lanes that reinforcement and resupply shipping must flow in the event of conflict, of whatever intensity, in Europe, the Middle East or Africa.

In the event of confrontation, the Atlantic Command's responsibility is to support the land campaign by ensuring the safe and timely flow of personnel and equipment, nearly all of which must go by sea; and by the direct application of combat power in support of that land campaign. As the Conventional Forces Europe (CFE) process leads to reduced U.S. ground presence in Europe, the ability to protect reinforcement shipping from potential interdiction will become an even more significant element of deterrence. Should this ability be eroded, the credibility of Western conventional deterrence will be seriously degraded.

STRATEGY IN THE ATLANTIC

Recognizing the challenge we face in the Atlantic, both the United States and NATO long ago adopted a maritime strategy based upon the principles of forward defense and containment. Even in the current encouraging political environment, these principles must apply. The objective of a maritime forward defense is to deter war, to show NATO's resolve not to relinquish one inch of soil. This means NATO forces should be placed in the best position to respond in case of conflict, before the conflict begins. This strategy can only deter when it is practiced through exercises and the forces are readily seen as trained and available to permit its execution. Then, and only then, can it be a credible strategy. The intent of a maritime forward defense strategy can be interpreted as offensive or defensive depending on how one views it. But for more than 40 years NATO has declared that the strategy is defensive, and the absence of a single aggressive act by NATO forces throughout the course of this period underscores the point.

Maritime forward defense may be applied to any situation from increasing tensions, to crises, to open hostilities. To have a forward defense neither dictates nor suggests that tensions, crises or hostilities are imminent or on the horizon. It does imply that if tension, crises or hostilities come, NATO is prepared to respond. Since the Soviet Union has maintained the only military force of sufficient size to threaten NATO since it was founded, NATO's military strategy has been designed to deter possible conflict and to maintain the integrity of NATO territory. We are unquestionably witnessing significant changes politically and militarily in the Soviet Union and in Eastern Europe but the outcome of these changes are far from clear and there is the potential for political instability for some time to come. Forward defense is still the most prudent military strategy because it provides the greatest flexibility to respond to the full range of new situations.

An essential element of this strategy, maritime forward defense, simply means that NATO, faced with the prospect of crises or war, will deploy naval forces forward to the area adjacent to NATO's Northern Flank in an effort to deter conflict. But, if conflict does arise, it will be in the best position to stop aggression and hold NATO territory. It would be most difficult to defend Norway and Iceland and to support SACEUR from any other position. Should NATO lose Iceland and Norway, both the Atlantic sea lanes and the Alliance Central Front would be at peril. NATO's maritime geographical advantage would be greatly reduced, and our essential reinforcement and resupply routes would be exposed to a war of attrition at sea, which would require far greater maritime forces than NATO nations currently envision procuring.

Is Maritime Forward Defense credible for the future? NATO's fundamental strategy remains defensive, and the maritime component is defensive as well. NATO and SACLANT strategy remain as valid now as when formulated over 20 years ago. Collective security works. The major objective of the Allied Command Atlantic is to ensure the Atlantic Ocean remains a bond and not a barrier.

FORCES

You have asked me in your letter inviting me to testify to address the forces available to support the strategy and to identify the operational deficiencies in any region. I could list for you, as I did last year, those shortfalls which exist for a full blown East-West confrontation; but I doubt in these times that would be of much use or help to you as you deliberate the fiscal year 1991 budget. I believe it is clear that short of some external event which changes the political view, we will see declining defense budgets in the years ahead. I, therefore, believe I can help you best by describing for you where we in LANTCOM stand versus our current commitments. I believe it is fair to say that current forces have deterred war; and we can assume, in light of ongoing political and military developments, that if properly modernized, this level should continue to deter war.

First, let me speak of strategic forces: As we reduce conventional forces, strategic forces will remain or grow in their importance to deterrence. In LANTCOM, the Trident force with the D-5 missile will take over the strategic load by the end of the century. This force is essential and should be fully funded to replace the Poseidon and Trident I forces as planned.

As for conventional forces, we have already made significant reductions in fiscal years 1989, 1990 and 1991 budgets. In LANTCOM we have reduced one carrier; are retiring 22 cruiser, destroyer, and frigate type ships early; have reduced the Maritime Patrol Force by 26 aircraft; and are retiring a battleship in fiscal year 1991. When weighed against delivery of new ships and transfers to the Naval Reserve, the number of active ships in the Atlantic Fleet will decrease by 25 during the same period. This is a significant reduction in our military capability. Our deployed commitments are already being reduced because of this force reduction and to permit the anticipated expansion of our drug operations. We are committed to maintaining our PERSTEMPO of operating forces at no more than 50 percent time away from home and we have exceeded this level of operations already with some types of ships because of reductions. The choice from now on with further reductions is to reduce commitments or increase the time the American blue jacket spends at sea. The latter option invariably results in reduced retention of personnel and reduced force readiness.

We have historically required forward deployed forces for many reasons and situations. Many of these reasons and situations have little or nothing to do with East-West tensions. Much of the world is unstable politically and economically, and the U.S. military forces have been required frequently to provide stabilizing influences across the globe. This instability continues, and it seems logical that U.S. forces will continue to be forward deployed for some time to come, as they should be. In my opinion, we have already reduced our deployed levels to a minimum if we are to maintain the same political and military impact. We are also already at a level where the movement of forces to a trouble spot like the Persian Gulf will cause either a reduction in another area or more time away from home for the sailor; the excess surge capability is gone.

With these reductions in forces, the necessity to continue to modernize becomes increasingly important. New technological advances will be required to maintain our deterrent with smaller forces. In my opinion, this is exactly what the Soviets are doing.

COUNTERNARCOTICS

Within the last fiscal year CINCLANT has assumed another significant mission—to conduct drug detection and monitorinq operations throughout our area of responsibility. This mission is directed by a Flag Officer with his staff and headquarters (Joint Task Force Four) located in Key West, FL. Reporting directly to USCINCLANT, he is in charge of all anti-drug surveillance operations and is responsible for coordination with other agencies and commands involved in surveillance and interdiction. More specifically, we have five basic tasks:

— Providing all-source, tailored intelligence information to Law Enforcement Agencies on the aerial and maritime transit of illegal drugs.

— Allocating/scheduling air and maritime assets for detection and monitoring.

— Conducting counternarcotics detection and monitoring operations.

— Coordinating the counternarcotics detection and monitoring operations of other services and Federal agencies within the USCINCLANT area of responsibility.

— Integrating JTF-4's operations into the counternarcotics Command, Control, Communications and Intelligence (C3I) network.

Major efforts thus far have included improving the quality and quantity of available intelligence, and improving and expanding communications and data connectivity among the services and agencies supporting JTF-4. We are working to ensure that appropriate and timely intelligence information is provided to appropriate civilian Law Enforcement Agencies.

Since startup on February 27, 1989, JTF-4 has quickly evolved from a small cadre staff to a 24-hour operation. We have significantly expanded DOD forces used in counternarcotics operations. We are prepared to commit further forces toward this effort as soon as coordination with our South American allies is concluded. We are committed to greatly reducing the transit of illicit drugs through the Atlantic Command area.

PRIORITIES

The President's fiscal year 1991 Defense budget represents a careful balance among DOD requirements. Of these, I would like to share with you my top priorities for the Atlantic Command:

Personnel Readiness: My highest priority is for programs that support people—our most perishable asset. As evidenced by the recent events in Panama and the continuing prosecution of our counternarcotics efforts in the Caribbean, it is imperative that we maintain a mobile, flexible and ready force. As we assess the required numbers and critical skills needed to support our wartime commitments, one constant remains—the importance of attracting and retaining quality personnel. The superb readiness of our forces today is in great measure a result of the remarkable dedication and morale of the young men and women in the Armed Forces. Our commitment in the last decade to increased pay and benefits for these dedicated young people is in no small measure responsible for their morale and their clear understanding that the American people support and admire their efforts. The problem we will face in the 1990s will be to retain these quality individuals. We ask your continuing support for adequate pay and the quality of life programs so necessary for retention.

We need, once again, to pay our people in uniform wages that are commensurate with what they can earn in the civilian sector. With the 3.6 percent pay raise approved for fiscal year 1990, we still have an 11 percent comparability gap as a result of military pay raises that have been capped below the average private sector wage increases since 1982. We must strive to maintain a military compensation program that can compete with other employment alternatives. I ask for your support of the 3.5 percent fiscal year 1991 pay raise submitted in the President's budget.

As our military forces are reduced in size, compensation programs become even more important to shape that smaller force with high quality, technically competent personnel who have the critical skills needed to man the advanced systems of this decade and into the next century. Bonus programs have helped address the recruiting and retention problems experienced in many areas requiring special skills.

Material Readiness: The outstanding condition of our forces also reflects prior year commitment to fund spare parts, operational training, depot level maintenance, modernization and facilities maintenance. The funding for these operation and maintenance accounts often is the first to be impacted by reductions in defense spending. The full effect of less than adequate funding in these areas is not reflected immediately in unit readiness. It takes time for ships, aircraft squadrons and battalions to draw down on spare parts stock levels, and for personnel proficiency and equipment reliability to decline. We may be seeing the beginning of that decline because of the funding shortages of the past few years. The President's budget attempts to preserve our readiness goals within the context of overall funding reductions. Even so, readiness in the Atlantic Command has leveled off and the positive trend of the past few years has begun to reverse.

ASW

My warfighting priority is to maintain our anti-submarine warfare capability in the face of the rapidly improving quality of Soviet submarines. The Soviets are incorporating quieting technology in every new and overhauled submarine, and this has seriously reduced our detection capability. While we are still slightly ahead, the Soviet quieting trend indicates their best may soon equal ours. They continue to build high technology attack submarines at a rate nearly twice that projected for our SSN-21 attack class. Failure to maintain our submarine and anti-submarine technological superiority would place in jeopardy our ability to prevail in a war with the Soviets. The fiscal year 1991 budget supports a balanced ASW program that includes the necessary investment in ASW research and development and keeps the SSN-21, P-7, ASW sensor improvements, Fixed Distributed System, DDG-51 and torpedo programs on track.

Sustainability: We must continue to address specific sustainability shortfalls that would hinder our ability to conduct operations in a major war. The most serious concerns, all partially funded to meet required inventories, are:

—air-to-air missiles (AMRAAM)
—anti-radiation missiles (HARM)
—torpedoes (MK-48 ADCAP; MK-50)
—sonobuoys
—other preferred weapons (HARPOON; SM-2 MR/ER)
—replenishment spares
—POL

Command, Control, Communications, Surveillance, Intelligence, and Electronic Warfare: These capabilities are required to support every warfare area in times of crisis and hostilities. They are necessary for indications and warning, and must be adequately survivable to perform in an environment of intense electronic jamming and deception. Priority programs are:

—Secure and anti-jam communications (SINCGARS; HAVE QUICK; JTIDS)
—Surveillance upgrades (North Atlantic Defense System; IUSS; OTH-B; AWACS radar improvements)
—Electronic Warfare (Air to Surface ECM upgrades/Combat DF/BGPHES)
—Strategic connectivity (MILSTAR; VLF/LF)

Security Assistance: The programs that make up security assistance to Caribbean nations provide us positive leverage an order of magnitude greater than their relatively small dollar investment. Our assistance enables nations to develop an indigenous security capability and strengthens ties to the United States through equipment and training. Additionally, these programs provide us with one of the few tools we have to enable cooperative nations to support us in the war on drugs.

The National Drug Control Strategy calls for the United States to reinforce the capabilities of the governments of these countries cooperating in the fight against illegal drugs to combat drug-producing organizations. The strategy goes on to say that "security assistance will help to enable such a government to protect itself from criminal drug enterprises and drug related insurgencies, and to enforce laws against drug producers and traffickers." Unfortunately, the impact of near zero security assistance allocations to the region since 1987 is starting to show its effect with the degradation of U.S. provided equipment to the region and a subsequent erosion in confidence, seriousness and U.S. credibility regarding our emphasis on a cooperative counternarcotics policy. Although we have developed short and long term security assistance plans and programs to assist these nations in the drug war, no funds to speak of have been appropriated, and I have little, if any recourse in the security assistance allocation process.

We need your support to restore security assistance programs which underpin Caribbean stability. Twenty million dollars annually would assist these nations in restoring our previously provided equipment, and provide the training necessary to maintain stability in the region.

CONCLUSION

In summary let me say that I understand the reasons behind the desire to reduce defense spending. We must keep in mind, however, that the Soviet Union will maintain a formidable military capability for the foreseeable future. The challenge in these dynamic times is to resist the temptation to move too quickly in reducing our defense posture. This is particularly true when the effects of prior year budgets have already reduced the Atlantic Fleet to the point where we are forced to cut back our peacetime deployment commitments. American military presence throughout the world has been successful in helping to maintain peace and support U.S. interests for almost half a century. As you make the hard decisions concerning defense reductions, I ask that you weigh carefully the impact so that you are not caught by surprise some years from now to find that we can no longer do what you have for so long assumed we can.

This completes my presentation and I am prepared to answer your questions.

SOVIET NAVAL OPERATIONS

Chairman NUNN. Thank you very much, Admiral Kelso. Let me start by asking you a question. Last week, General Powell testified that the Soviet Navy has continued to somewhat scale back their operations, largely, he believes, as an economic measure. Tell us about your theater. Do you share that?

Admiral KELSO. Yes sir, I share that. The Soviets have decreased out of area operations substantially in the last few years. They do not operate out of area near as much as they did, say 5 years ago.

Chairman NUNN. Would you give us an example of that? When you say "out of area," to what area are you referring?

Admiral KELSO. When I say out of area, I mean out of the area of the Norwegian/Barents Sea, out into the Atlantic. We see very few submarine patrols in the Atlantic any more.

They have scaled down the number of forces they have in the Mediterranean, therefore we see fewer transits back and forth to the Mediterranean. They have reduced their deployments to Cuba, although recently they have deployed some aircraft, but we have seen far less than we did 4 or 5 years ago.

I think it is a result of two things. One is, the Soviets have espoused a defensive doctrine. It is very hard to espouse a defensive doctrine and to see your ships all over the world, so I think they pulled back to support their idea of a defensive doctrine.

It may also be an economical issue, that they are not willing to spend as much on fuel oil and the things you need to deploy. Also, the Soviets have historically, more so than we have, looked at a ready force as one that is tied up alongside and ready to get underway, where we tend to think that that is not a very good training mode, but that has somewhat been their view.

But we have seen a considerable reduction in their out-of-area operations, sir.

OPTEMPO

Chairman NUNN. Does that mean that since the Soviet Navy, of course, was our principal threat—not our only threat, but principal threat—that we could also slow down the tempo of our operations?

Admiral KELSO. Yes, I think some, Senator, but we have traditionally believed that we have to operate our ships a certain amount of time to maintain their readiness by training them. We turn over on a ship maybe a quarter of its people a year. The opportunity to train them in their sea-going responsibilities and capability means you have to go to sea a certain amount of time.

We have cut our operations tempo back in the last few years to about 28 to 29 days a quarter, operating off our home coast. We budgeted for about twice that with our deployed operations. I do not really think you can cut it down much more than that and maintain a ready force.

Chairman NUNN. From the taxpayer's point of view, you have to ask, what are you maintaining that force to be ready to do? If the threat has gone down, and the potential adversary—the principal potential adversary—has greatly lowered their exercising, what is it we are trying to be ready to do?

Admiral KELSO. Well, most of our forces are set up into a deployment schedule where they meet commitments of the United States somewhere in the world. For example, the forces in the U.S. Atlantic Fleet deploy to support General Galvin as the Sixth Fleet in the Mediterranean.

Additionally, in the past, we have deployed ships to the Persian Gulf to support commitments in the Indian Ocean. Both the Pacific and Atlantic Fleet do the same thing. However, as I tried to make clear in my statement, we have scaled back those commitments.

A few years ago, we always had two carrier battle groups in the Mediterranean. We are already down to one. We have reduced the number of ships there in order to meet the 50 percent perstempo goal for our people. Those forces currently not deployed are undergoing turnaround training in order to do that chore.

FLEXIBILITY

Chairman **Nunn**. Let me ask you and General Galvin both this question. From a purely military point of view—I will ask you also about a symbolic point of view and political point of view—but from a purely military point of view, do we need to keep one to one-and-half carriers in the Mediterranean now, with all the land-based air we have accessible to that area? Purely military. The second question would be symbolicly and politically.

Admiral **Kelso**. I will answer it from the past perspective as Commander of the Sixth Fleet.

From a purely military standpoint I assume you mean that I could fly an airplane from anybody's territory I wanted to, to do what I wanted to or move a ship. I do not think that is the real world.

Our allies support us very well, but they are not necessarily going to support politically what we might see as in the United States' interests if it is not in their interest to do so. Therefore, if you want to have forces which you can move wherever you want throughout an ocean like the Mediterranean, I think it is going to have to be a maritime force.

Chairman **Nunn**. In other words, you will not have the political flexibility?

Admiral **Kelso**. I do not think you will have the political flexibility to use a force if you tie yourself to a base that has political implications associated with it, so I do not know how to answer the two questions any other way, sir.

Chairman **Nunn**. General Galvin?

General **Galvin**. Let me take it from the point of view of the North Atlantic Alliance and Allied Command Europe.

The flanks, as you know, are the weakest part, Mr. Chairman, of our deterrence and defense because they simply do not have the combat power that the center has.

When you look at what you have in the Mediterranean in terms of the ability to defend everywhere from the Trans-Caucasus area to the Bosporus to the area in Northern Italy, Yugoslavia and so forth, the amount of combat power is light.

The Greeks and the Turks have a lot of soldiers, but they do not have a lot of combat power. This is the reason that I have been so adamant about Crotone and about moving the 72 F-16s of the 401st Tactical Fighter Wing from Torrejon to Crotone. That places 72 first-line fighters, which is more than one third of the first-line fighters that we have in the Mediterranean, in a very good position.

A lot of the rest of the first line fighters are of those wings that come from the carriers.

I understand why we have reduced the level that we promised NATO, which was two carriers on the average at any time, to a level right now that I am fighting hard to keep at about 1.1 or 1.2. That just barely gives you overlap between two carriers when they turn over so that you can get some training done with more than one carrier. Such training is very important to the Navy forces.

Getting those carriers up into the Aegean where they can provide support is important. The two carrier battle groups into the Aegean is an important part of the NATO strategy.

I would say another thing about it. As we look at the threat, I do not think the Soviets are plotting some kind of surprise attack to conquer Western Europe. I think, in fact, if we got into a war, it would be just like a lot of other wars. First of all, it would surprise the Americans just like other wars have. Second, it would be seen by the Soviets as something that they did not really cause. I could see that happening in the Trans-Caucasus where the Soviets have put a lot of force.

I am not saying that the Trans-Caucasus situation is leading to war by any means. But I am saying that if you look around all of NATO and ask where is there instability and the possibility of incipient conflict that could lead from one thing to another? For example, who would ever have thought that Sarajevo would lead to Verdun, but it did. The things that are going on that show instability, that show turmoil, that show uncertainty would indicate that right now the south flank compared to the center is vitally important to us.

I would like to see two carriers on an average in there, but we do not see that even now. If we were to further reduce below where we are, I think that we would be losing in deterrence and reducing our war fighting capability in a way that I would prefer not to see.

Chairman Nunn. Well, I understand both of your answers, but I am not sure they are entirely compatible. Admiral Kelso is saying that we need his carriers because land-based air is not politically reliable, and you are saying we need the carriers, but we also need to build a base in Crotone, which he has basically already defined as not being politically reliable in terms of us being able to use that air wherever we want to. So, I think I am hearing two different things.

If we are going to keep carriers there, I do not know why we need a new land-based air if we are not going to feel like that is politically reliable.

Admiral Kelso. I think maybe I answered less in the context of a general confrontation. I was thinking more of the day-to-day use.

Chairman Nunn. The Middle East scenario?

Admiral Kelso. Yes, and I would maintain the forces in the Mediterranean since we have a clear deterrent vis-a-vis the Soviets there.

Throughout the 40 years that NATO has been successfully together, there has not been any conflict in Europe. But in the Mediterranean for example, the Sixth Fleet has been used to support U.S. commitments many times. I was not thinking of it only in terms of deterring the Soviets.

Chairman **Nunn**. I would agree. That is the primary justification for it, but if that is the primary justification for it rather than a NATO scenario, then I think we ought to start thinking in that respect, and that might mean less than 1.2 or 3 carriers, but we will come back to that.

Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

Gentlemen, we have done a lot of talking in this committee for some weeks now on the question of strategy and budgets and the like, but I am glad both of you opened up with your concern for your people.

I want to go back to the State of the Union message. Preceding that there was a great deal of talk about our troop levels in Europe and then all of a sudden the President came out and established 195,000.

Taking a note from you, Admiral Kelso, where you think the strongest contribution to the morale of our people is their perception of how the American people feel they are doing their job—and I will shift to General Galvin—what was in the minds of the average soldier when he woke up and heard the President of the United States say we are going to drop to 195,000? What is the turmoil that must be all- pervasive among the military families over there now about this question of bringing home the troops? Following up the 195, the statements by certain Members of Congress, you ought to bring home even more.

General **Galvin**. I would say, Senator, that I have been to Berlin to talk to the troops there about how they feel, and I have been to talk to some of the cavalry troops along the inner German border and some other places like that out on recent exercises like Reforger.

I would say, first of all, we are really lucky that we have the very high quality, well educated troops that we have. We have never had, in our history, the quality we have today, definitely not in my lifetime, and I think that their response, therefore, is a very sophisticated response.

Senator **Warner**. But bear in mind, there are not so many pieces on a chess board. These are human beings concerned as we are, looking to the future, with the welfare of our families, children and so forth. I am just concerned about them, genuinely concerned, as to how they are doing, their family planning and career planning amidst this controversy of the troop level and the withdrawals.

General **Galvin**. There is no doubt that this is causing turmoil. They are facing this. I think the soldiers, sailors, marines, and airmen are facing this with an approach that shows the high quality that they are, but nevertheless, all of them are wondering what installations will close. Will they close my installation? Does this mean that my tour is shortened or does it mean it is lengthened? Will I have to move to another installation while I merge somewhere else? Is the pressure going to be on to bring the dependents home and if so, what do I do with my family?

All of these questions surface in places like the Stars and Stripes newspaper, for example, which is full of letters and questions and stories discussing these issues. It surfaces with the troops when you talk to them and with the noncommissioned officers and indeed with the young officers who wonder if they still have a career.

And, in fact, I just finished talking with Carl Vuono this morning. We agreed that one of the things we senior officers have to be doing, and we are doing, is getting out and talking to the troops and explaining to them the best we can what all of this means.

Senator **Warner**. I want to go on to another question, but I think at this point you have to exercise a great deal of caution and compassion in your leadership to help these people understand and translate what is going on back here in the Congress and elsewhere.

General **Galvin**. Yes, sir.

Senator **Warner**. But they are important, and we are going to look after them one way or the other.

General **Galvin**. I appreciate that comment very much.

Senator **Warner**. Now, the figure 195,000 I presume you were consulted on that figure. Did you concur with that level of 195,000 to carry forward your mission in the next year or the foreseeable future?

General **Galvin**. I am happy to say I was consulted, and I think that shows that the Goldwater-Nichols Act is working, and it is not the only thing that shows it. And I mentioned that in my written statement.

I was consulted. General Powell and I talked about this several times at which times I gave him my thoughts. I will not say my thoughts were always accepted, but they had an effect, I felt, in the way everything turned out.

Senator **Warner**. Did you have a different figure in mind and did you convey that to him?

General **Galvin**. I had a lot of different figures in mind, starting with the figure that we had at the beginning.

I was concerned about the fact that we were in the middle of negotiations, and this would mean now that they would be interrupted and a new figure would be laid out. I was concerned that some of the other NATO nations would say, aha, now I can make some reductions.

I made all those concerns known, I heard the concerns of the other people that were in on this discussion, and some of those concerns moved me off my position in some ways, especially the one about the withdrawal of Soviet forces from Czechoslovakia and Hungary and possibly Poland and maybe even East Germany, and what that would mean if we were out there with a very large force compared to theirs.

And so that and a lot of other things were a part of all of this but, yes, Senator, I was consulted several times, and I feel that my advice had an influence.

Senator **Warner**. Do you feel as the current commander that you can carry out your mission in the foreseeable future once you reach that level of 195,000?

General **Galvin**. Yes, I do. I do not think we will need a change in strategy. I think we can carry out the mission because as we look at this, we have to see what happens to the other side.

Senator **Warner**. Do you think that is a floor for the foreseeable future?

General Galvin. As of now, I think that is a floor for the foreseeable future. I hope that we do not make another change in this as we go in now and try to get the CFE signed and then follow with the SNF negotiations.

Senator Warner. What would be the earliest time you would think we could go back and reconsider any adjustment in that floor?

General Galvin. Obviously things are going to change very rapidly here. We are living in a time where a week sees as many changes as a few years used to see. So, it is very hard to say what things will be like even next month.

But I would say to the best of my ability right now, let us get CFE under our belts, and that will automatically take us into SNF.

In the meantime we still have INF and START and the rest of that going, and I have the whole chemical thing to try to take care of in a year. So I think when I said earlier working at it in an orderly fashion I meant leaving the numbers alone for a while.

Senator Warner. The doctrine of flexible response, is that still a part of your strategy?

General Galvin. Yes, sir.

Senator Warner. Irrespective of the change in the Warsaw Pact nations and now their becoming democracies?

General Galvin. Yes, sir. Flexible response is the NATO doctrine. It is still entirely acceptable. It is basically a mobile defense backed up by a nuclear as well as conventional force.

Senator Warner. Will the change in Eastern Europe require you to change any of your tactics as to the possible use of tactical nuclear weapons, or short range systems?

General Galvin. I do not believe that we will need, when the reductions are made, as much tactical nuclear capability because the targets, in effect, will be fewer and the forces will be smaller. Now, force generation can build them back up again, but in terms of the early battles that would be fought in any war in Western Europe, you will not need as much nuclear capability in the tactical sense as we needed before.

Senator Warner. Does that reduce the need for a Follow-on to Lance system?

General Galvin. I believe that we need a Follow-on to Lance system, because we now have a mix of artillery, missile and air. The air is on very few bases, like about 20, and even after it dispersed, we are not talking about very many bases. And those bases are easy targets. They are fixed locations.

The missile can penetrate. It is very accurate, and it is the way in which we are moving in land, sea and air. Even the infantry has a missile to fire at a tank. We need a modern missile capability. We probably, if we are looking at reductions, could see more reductions in tube artillery than in the missile because of the extremely short range of the artillery and the need for more mobility in the future.

Senator Warner. Thank you, General.

Chairman Nunn. Thank you, Senator Warner.

Senator Cohen, I believe you are next.

Senator Cohen. Thank you, Mr. Chairman.

General Galvin, you said that you hope we would arrive at that point where we could reduce the ability for each of the super powers to sustain a deep attack into each other's territory. Does the West have the ability to sustain a deep attack against the East?

General GALVIN. We have never, obviously, contemplated a deep attack. The whole construction of our capability over there is for a mobile defense. But of course mobility allows you to either have offense or defense. The real question is, what do you plan for, what do you exercise on and so forth.

Senator COHEN. Would it be fair to say, we have never had an ability to sustain a deep attack to the East, have we?

General GALVIN. Compared to what the East has had, we have not. And we have never had a plan for it; we have never had an exercise for it. On the contrary, we have watched all their exercises, and they have been exercises on the maps which go to the Rhine or go to the Channel. And the way that they place logistics and organize and do other things shows an offensive orientation which they admitted a couple of years ago.

Senator COHEN. What is the consequence of having a unified Germany that only has ties to NATO?

General GALVIN. If Germany is unified with ties to NATO, what we have done is to accomplish one of the major goals of NATO in the first place, which was to protect Germany, to protect the future development of Germany after the end of World War II. The Marshall Plan provided the economic part, and NATO provided the security part.

To think of a NATO with a big gap in its center where Germany used to be is for me almost unthinkable. But a NATO in which, for example, as has been suggested this week by various authorities in Europe and here, where the eastern part of Germany would not have a NATO military force in it, but nevertheless all of Germany would be a part of NATO, I think is a very feasible way to go. These are precedents such as in Norway and other nations.

Senator COHEN. I want to touch upon something a little bit different than what Senator Warner said. But, Brent Scowcroft made an important speech this past week and at the Wehrkunde conference. You were there yourself, as well as several members of this committee, trying to reinforce the need for a unified Germany which is inevitable to remain part of NATO.

We have pointed to Mr. Gorbachev as saying that perhaps he has more moves than Anatoly Karpov. On the one hand, he goes to the Baltics and says, you must remain a part of the communist party, and you must remain a part of the Soviet Union and then reverses himself. He indicates that there should be no multi-party system for the Soviet Union a month ago, and now he is its leading advocate. And so he has achieved the reputation of being the ultimate pragmatist.

But it seems to me, based upon a story in today's Washington Post, that we have almost as many moves as Karpov, because we keep shifting back and forth, and I am not sure exactly why. I noticed the story in today's Washington Post on page A-19, in which a White House spokesman says that, "we need not remain a part of

NATO. NATO need not be a part of a unified Germany—only economic ties to the West."

I think that is particularly damaging. I think it is inconsistent with everything the administration is trying to achieve. I think it is counterproductive and may in fact send the kind of signal to the two Germanies that they can proceed along a neutral line with only economic or philosophical ties to the West.

Do you have any comment to offer?

General GALVIN. I was present at Wehrkunde. And of course, your presence, your contribution, and your leadership of the American contingents were appreciated by everyone there.

I heard General Scowcroft myself, and it was my distinct understanding that his position was that we supported German unification and we support NATO. And we felt those two positions were compatible.

Senator COHEN. Were they not also imperative from our point of view? In other words, if you have a unified Germany that is "neutral," then you have all of the instability that we saw and have seen in past decades, instability which has led to war, competition between the various European states for either economic predominance or even military domination.

If you have a unified Germany that becomes militaristic, then you have an even worse scenario.

And so for anyone in the White House to suggest that we indeed ought to promote or accept an idea of a unified Germany that is neutral, it seems to me is inviting a consequence, if they have not fully thought out.

I think that what we detected was that there was strong support for NATO to remain an integral part of a unified Germany. We ought to hold to that position, not keeping shifting, much as Mr. Gorbachev is shifting to save his political life.

Let me go quickly to your testimony on page 9. I think you drew a distinction between the need to field the SRAM-T and merely develop the Lance follow on. You were very careful in your choice of words, and so I assume that you are sensitive to the fact there is a growing resistance in Western Europe for keeping nuclear weapons on its territory.

Do you foresee the need for an air launch missile having enough range to reach the territory of the Soviet Union?

General GALVIN. I think it is absolutely necessary that we have a missile that in its combination with the aircraft will give us the range to reach the Soviet Union. Part of my mission is to be able to provide a credible nuclear deterrent, and that deterrent is defined in about 15 years' worth of work by NATO. And part of that definition is that there is no sanctuary.

Senator COHEN. Well, should we either modify the SRAM-T to extend its range or develop a different system? Is that what you are saying?

General GALVIN. Of course, I state the requirement, and then the services convert that into hardware. But I think, as far as I can see right now, that the F-111 plus SRAM-T gives us the kind of range I am talking about.

Senator COHEN. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Cohen.

I believe Senator Coats is next.

Senator COATS. Thank you, Mr. Chairman.

SUBMARINE TECHNOLOGY

Admiral Kelso, I wonder if I could focus with you a little bit on anti-submarine warfare. In your statement on page 12, you indicated that your war-fighting priority is to maintain anti-submarine warfare capability in the face of rapidly improving quality of Soviet submarines.

You go on to indicate that the Soviets continue to build high-technology attack submarines at twice the rate projected for our SSN-21 attack class. And that failure to maintain our submarine and anti-submarine warfare, ASW, technological superiority would place in jeopardy our ability to prevail in a war with the Soviets.

Then in your oral testimony, you indicated what sounded to me like a somewhat different assessment in terms of the threat relative to the Soviet deployment. Senator Nunn asked a question about out-of-area operations and so forth.

I guess my question is, have you reassessed the threat? We clearly have a situation where technologically and numerically Soviet submarines are improving significantly.

Admiral KELSO. Well, as I said, the threat depends upon their will to use forces and the capability of those forces. The capabilities of the Soviet forces, naval forces and particularly submarine forces have improved dramatically in the last 10 to 15 years. Since improved capability is, in my opinion a function of technology, their willingness to spend enormous amounts of money to build new classes of attack submarines and to spend money to improve their technology is another factor to consider in any assessment.

Today they are producing submarines that are very quiet, that are very capable and they are continuing the modernization of their force, while throwing away basically obsolescent submarines for which they take great credit.

Throughout Gorbachev's era the rate of submarine building has been about the same. It has not changed any. What he will do in the next 5-year plan, we do not know yet.

It is my belief that that technology lead that we have will be lost because they have been willing to continue modernization. We will lose the technology unless we are willing to build a ship like the SSN-21 and upgrade our ASW capabilities. Whether they operate out of area or operate in area in their home waters to train does not mean they are not a trained and ready force.

As General Galvin said, from a threat standpoint, the only thing I can do is look at what their capability is. And we all have to try to decide whether they are willing to use it or not. But they do have the capability to use it. I think it would not be in the best interest of this country for us to lose the technology lead we have, and I am absolutely sure we will do that unless we are willing to go ahead and take the next step in technology.

SONOBUOYS

Senator COATS. What does this do then relative to our commitment to fund ASW programs? I notice under your sustainability category here that you indicate the most serious concerns are partially funded inventories including sonobuoys.

Admiral **Kelso**. Yes, sir.

Senator **Coats**. And the budget that has been submitted for fiscal year 1991 has a significant decrease in funding for sonobuoys. I am just trying to square all this.

Admiral **Kelso**. I think if you evaluate the threat in the morning to be lower from the standpoint of their will to use their force, I would be more willing to back off on maintaining the inventory of something like sonobuoys than I would the continued development of new technology. I can increase the manufacturing of sonobuoys as long as I maintain the capability to do so. But if I lose the knowledge for building a new submarine, then, it is more than just turning the production line up. It takes us 10 years to build a new ship, to put in the R&D to do that kind of technology.

So, I think there are going to be a lot of trade-offs that we are going to have to make in a declining budget. As a unified commander, if we had to use it in the morning, I would like to see that we had a larger inventory of sonobuoys. But if our evaluation both politically and militarily is that the threat is less than it was, say, 10 years ago, I do not think the inventory has to necessarily be the same.

We have to keep enough to be able to do our daily tasks and to have some reserve, but that could change.

Senator **Coats**. The estimated annual consumption rates are running at more than 400,000 a year, yet the production and purchase rates are running less than half of that.

And in fact, the fiscal year 1991 budget request that you submitted, $72 million, will purchase below 200,000. And so I am just wondering are you planning on sharply reduced consumption for the future, or a drawdown on reserves, or are you hoping that we will plus it up, the number that you have given us? Which we have done in the last 3 years.

I noticed we have plussed up $50 million, $30 million and $45 million in the last 3 fiscal years.

Admiral **Kelso**. We have historically used sonobuoys to try to maintain a track of out-of-area Soviet operations. If they do not operate out of area that much, we will not use as many sonobuoys for doing that.

We still have to use them to keep our crews trained. It takes many a month to maintain P-3 aviation crew, training, and that sort of thing. But there would be some reduction.

I am not addressing a half reduction, Senator, because I was not aware that it was down a half. But I think there would be some reductions in that regard if there were fewer out-of-area operations.

Senator **Coats**. Well, maybe I can pursue that. It is down more than half. And the estimated use is about 440,000, and $73 million is going to buy us about 185,000. So we are down almost two-thirds.

Admiral **Kelso**. Well, I will certainly know when we are going to run out of an inventory. Because, obviously, if you did have a time of tension, one of the things you would want very much to have is an inventory of sonobuoys so that even before a conflict started, you could try to keep track of where they deployed their submarines, to know what they were doing.

Senator **Coats**. Thank you.

Thank you, Mr. Chairman.

Senator **Exon** [presiding]. Thank you very much.

I believe my question time is up now.

General and Admiral, thank you very much for coming here.

These threat assessment hearings that we have been going through are particularly important as we help devise and authorize the proper strengths. And you people who are out there on the firing line, I cannot thank you enough for coming here and giving us your advice.

I have a few questions on a series of things.

First, let me talk about the morale of our people in the Armed Forces. I think this issue is absolutely critical, and I appreciate the fact that you have touched on that already.

I have had questions from some people in the military regarding the force cutback structure. I had a question specifically from an 18-year veteran wondering how he and others similarly situated might be treated in case of force reductions. He hoped not unfairly, as we proceed in the next few years with reductions in forces that right now it is quite apparent that we are going to implement in one form or another.

What assurances do you have, from your perspective, that we can give to those career people who have made a commitment?

I would suspect that we could start out by saying that there is no intention whatsoever of any wholesale move towards breaking enlistment commitments that we have for either the enlisted or officer corps. Is that correct?

General **Galvin**. I think that would be very important, Senator, to the people concerned, and one of the things that I was stressing here.

Obviously, all of the people in the military realize that if there is a reduction, some people are going to leave earlier than their career plans had indicated to them before. But the main thing that I find right now, something that is a morale factor, is whether or not the quality of life in the service itself will remain high.

What I am talking about is the very junior people. And their concerns are in terms of child care centers, clinics, mess halls, and barracks. Will all of those things be as good as they have been?

I think we have good support for this now. But I see this support falling off, especially in Europe. And that is why I am concerned.

We have about $290 million worth of Milcon that I am really concerned about.

Senator **Exon**. What has been the response that you have received back from the forces today regarding the troops that we have in Europe? Are they apprehensive about what they have heard?

I suppose some number of them would be anxious possibly to return home to continue their careers.

Has there been any uneasiness and reduction in morale of the people that serve in very important positions over in Europe right now?

General **Galvin**. I think, Senator, there is uneasiness. I think there is also a very good educated understanding of what is going on, and a support for what is going on. In other words, the reduction of the confrontation, the reduction of the level of tension and danger in Europe, and a better position in terms of the security of the West and of the United States.

But they realize this also affects them personally. And we are not really able yet to provide them with the kinds of answers to questions that concern them. And those questions are: Will I go home? And if I go home, will I be out of the service? And if I stay, will I change from this installation to another? And will the support keep up as long as we are here? Or will it die out? And questions like that.

And it depends on what level. Those are young soldier, sailor, airman and marine questions.

Noncommissioned officers and junior officers say: Do I still have the career for which I have prepared myself all this time, these 18 years or these 15 years or 10? Is there still a future for me?

Now, one of the things that we have done to reassure them is to say, "we will be a smaller force, but we will be a high-quality force. It will be a challenging, satisfying career for you. We want you to continue. And we will not have a hollow force, we will have a meaningful, highly professional force."

These are the things we are saying.

And the message is, we are going to be smaller. Yes, some people will leave. We are going to try to take care of those who leave and take care of those who stay. We have a debt. We have loyalty down. And we will keep that loyalty.

Senator **Exon**. General, not getting ahead of the curve, but to get your thinking, if we are successful in our START negotiations, if we are successful in the CFE negotiations, as you have alluded to, if there is a massive pullback in Eastern Europe of the Soviets, as some envision today, which we all hope will happen, if all of this comes to pass, and if Mr. Gorbachev prevails, and if things are relatively calm 5 years from now as they are today, what would you estimate would be the minimum amount of force in man- and woman-power that we would need to continue to play our NATO role?

Is it 100,000, 200,000, more than that, less than that, could you give us your estimate if the scenario that I outlined should come to pass?

General **Galvin**. First, I think that as we go into the CFE talks, the SNF talks, the START, the remaining part of INF, the chemical weapons deployments, and the CSCE, all of that knit together in five or six different kinds of negotiations that are going on right now, I think 195,000 in the central region, and an overall total of 225,000, ought to be an absolute bottom line.

I think that provides the kind of encouragement to our allies that is needed, that says we still are there, that we still are the leaders in NATO, that we intend to make the sacrifices to show that leadership, and that we want NATO to hang in there because we really need the collective approach to the East that still is going to be required no matter what happens in the future.

I think if we begin then to say, well, after all of that, and if the Soviets draw down and go home, we could do less. We would probably be right in saying that, in terms of mathematics. But it would not be too good in terms of psychology.

I think, myself, that a bottom line right now of 195,000—and I have gone into quite a bit of detail with my subordinate commanders in Europe over the past week, working pretty much around the clock to see what this means—points out we have got some very, very tough decisions to make as to what to close and what to keep open, which air bases, which hospitals, which installations, which units, what missions, all of that.

This is going to be a difficult period.

I guess that is the long way of saying that I would not like to hazard a guess as to the lowest level one might go to.

Senator EXON. I would simply say that that is a pretty high minimum number, but we appreciate your advice.

SSN-21

One last question of you, Admiral. You said in your testimony that, certainly in numbers, the attack submarines of the Soviets outnumber us. And I know that you cannot go too far in open session like this, but what is the status of the SSN-21 development program?

Do you believe that the system continues to hold significant superiority over what we now see deployed by the Soviets and what we know of their deployment of attack submarines in the future?

Admiral KELSO. Yes, sir, I do believe the SSN-21 provides a significant improvement in our capability, which will enable us to maintain the technological edge that we have today. And I think if we do not build it that we will lose that technological edge.

Senator EXON. In other words, you are strongly in support of the continuing funding of that system at the highest possible level?

Admiral KELSO. Yes, sir, I am.

Senator EXON. Thank you very much, Admiral.

My time is up and I believe Senator Wallop is next.

I am pleased to recognize you, Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman.

I must say, in talking about the minimum number, General Galvin, I am very much inclined to agree with you. In fact, I think that is a little less than the minimum ought to be. And I would just like your comment on it.

It strikes me that if you go below a certain level, the U.S. force in place merely becomes a target, not a deterrent or a consideration. Should anything happen, it is almost a certain commitment to escalation of the war to a global nature in order not to sacrifice troops on the ground.

Is that a concept of any consequence?

General GALVIN. My view is that the bottom line is the bottom line. And it could have been higher than that. And I do not think it is talking out of school to say that my recommendations were higher. Because I feel that we have to look at the full array of reasons why we have the force deployed.

It does, in addition to providing for a credible deterrence and defense, provide a credible encouragement to our allies to remain united, as we have been these four decades, in this North Atlantic alliance.

And to keep a balanced, consistent, and sustained approach to the East, and especially to the Soviet Union, it has really paid off. And so, to me, it is like the coach in the football game, when you get down to the last 5 minutes. He then starts pulling people out because he is ahead 21 to 14, and he says we do not really need that many people on the field now.

I think we ought to play it right up to the end of the game. And certainly the reductions, as they encourage us to lower the level of confrontation, are important. But they must occur in an orderly way, in a phased way. And this phase that we are in now is the one we ought to concentrate on.

Not that we ought not to have vision. That is why I started by saying we have had a magnificent vision and the will to do it with the Marshall Plan and NATO and the 40 years of sacrifice. Let us just keep it up.

Senator WALLOP. Is it fair to say that American troops and an American presence is still in Europe on the basis of the willingness and desire of Europe to have them there?

General GALVIN. It certainly is. And I think that the comment by President Bush at NATO, in front of all of the heads of state of the 15 other nations of NATO, that "we will be in Europe as long as our allies want us there," is a comment that was accepted by them just in that way.

For example, a poll was just taken in Germany that is not more than 4, 5 or 6 weeks old, which showed that support for NATO was 80 percent. And the support for the forward-deployed forces—obviously, most important to them is the United States, the biggest—was 75 percent.

That, as you know, in an opinion poll, is an enormously high number.

Senator WALLOP. I would like one of those myself. [Laughter.]

One last question for Admiral Kelso. The extended warning time, which is bandied about, is dependent, is it not, on a political response to indications of threat? And absent that, warning time is not so long as we are talking about?

Admiral KELSO. Yes, sir, I think obviously the intelligence community can observe what is happening and advise what they think people are going to do. But in the end, I believe you are right, that in a democratic world it will be a political decision as to whether to reinforce and resupply before hostilities.

And I would say that historically we have not done too well at that. We have not been able to see the warning time and do something about it in time very often. But I do think it would be a political decision, with military advice as to what we think.

Senator WALLOP. The conversations that I have had with people at NATO indicate clearly that they do not think the warning time is as long as we are talking about for that very reason.

General Galvin, do you have an opinion?

General GALVIN. I think for that reason, Senator, and for a lot of other reasons. I think you are right that, first of all, warning time is one thing, but response is another.

Now, if you really think that we are going to respond and come charging out of the gate like Bill Shoemaker, that's good. But if you look at what we did during the Czechoslovakia invasion, during the Hungarian invasion——

There was an interesting article written by General Polk, who was the United States Army Europe Commander at the time, in a fairly recent issue of one of the periodicals saying how the real response made by the United States and by NATO was: do not do anything; for goodness sake, do not be provocative.

Now, what we might do in the warning time is important. But the other thing really is how long a warning time do you have. That definitely is something that has been looked at by this committee and needs to be looked at some more.

You cannot just take warning time and say because of Soviet capabilities, to bring up their readiness levels, et cetera, et cetera, we would have 45 days or we would have 35 days.

What you have to say is what would the Soviets want to do and would they be willing to take some risks? Would they be willing to go before being completely ready?

Well, when you look at what they would want to do—and I am not saying they want to attack Western Europe now; but again, we always get caught by surprise by these things—the major weakness that we have which they would want to attack would be our ability to reinforce Western Europe.

So they would not allow us 30 or 45 days. We need to make 1,000 shippings across the Atlantic in the first 30-day period in order to sustain the kind of reinforcement that we have always agreed is necessary.

Are they going to let those 1,000 ships get across because they haven't declared war or haven't started something? I do not think that warning time would be that long for that reason. But I think that these other questions have to be answered too: What would we really do? What would NATO, what would the United States do as a response? How long would that response actually take and so forth?

I think we need to, as we study this, mix that all in together and not simply say for example, "well, if we have twice the warning time, we need about half the forces," or something like that.

Senator WALLOP. Thank you.

Senator EXON. Senator Wallop, thank you very much.

Before I recognize the next senator, just let me follow up to the questions that Senator Wallop just asked. I think it is important for us to keep in mind, and I am wondering if you both agree, that it seems the Soviet Union is making significant efforts, at least they are sending the signals, that they are prepared to make a significant pull back in their conventional forces in Europe.

They have not signaled as of now that they are ready to act similarly with regard to their strategic programs. I speak specifically of their ICBMs. Is that correct in the assumption of both of you?

General GALVIN. That's correct in my opinion. By the way, I just want to mention that a significant pull back in numbers is one thing, but when you only pull back 600 kilometers, I think you have to multiply numbers times kilometers to get the real situation.

Senator EXON. Admiral?

Admiral KELSO. Yes, sir, I agree, they have continued to modernize their strategic forces.

Senator EXON. Thank you.

I am pleased to recognize Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman. General Galvin, you and I had several, I think, very valuable discussions during the past weekend in Munich, and I would like to follow up on our discussions for the public record.

Again, I would like to discuss the issue of whether the Congress should fund the modernization of the Lance short-range nuclear weapons, and any rationale for doing so.

Frankly, in my talks with the Europeans, there is absolutely no support for modernization of a weapon that is going to strike Leipzig or Prague or Budapest. The argument that is given by proponents of modernization is that it is not going to strike this or that place, but that it is going to strike masses of forces—an argument that I think has some validity. But it is still going to strike their own country or nations which either have become or are becoming democratically elected countries.

So, again I think for the record, it would be good to hear your views on this issue and why you feel that the Congress should fund the Lance modernization.

General GALVIN. First, let me make a specific and then go to a general comment, if I could, and I did appreciate very much, by the way, Senator, the discussions that we had. And they were very helpful and enlightening to me.

On the question which keeps coming up or the statement: we are not going to have a weapon that can hit our own folks, or we are not going to have a weapon that can strike our own country or the country of our friends that really is looking at a weapon rather than a strategy, and when one says that, well, what do you do? How would you buy rifles and how would you buy almost anything that you were going to procure in order to keep up your security?

If you said: I will not have anything except something that has a range that can go all the way around the world and hit somebody on the other side but nothing on my side, when you look at it, there is not a lot of logic behind that. But there certainly is a lot of force behind that question, and it is mostly emotional force. And I want to recognize that it is there.

Now, I would take an answer in a more general sense like this: the strategy that we have is forward defense and flexible response. We tried as our strategy massive retaliation. We did not think it was credible. We spent years telling each other, hey, this thing is not credible. So we went to something else in 1967.

We now have a tactical, conventional way to fight. We have a tactical nuclear way to fight and we have a strategic nuclear, and we think we need the mix.

Then, within that mix of these three things there is another mix. Within the shorter-range tactical nuclear force we have artillery, missiles, and air. We think that makes it credible. If you just had artillery it would not be credible because it has only 20 or 30 kilometers of range.

If you just had missiles, that probably would not be credible because they are just one means of accomplishing the mission and they may be in the right place and they may not. And missiles may not have the range you are talking about to do the entire mission, in fact they do not, even if it is Lance or Follow-on to Lance, because part of the mission is to send a message to the Soviet Union that there is no sanctuary in the event of an all-out war.

So you also have the longer-range aircraft. Now, that is a credible mix. Now, would it be credible if we had only the aircraft? If you had only the aircraft, they could be easily suppressed on the bases where they are by either destroying or damaging the bases, and there are only a few. Or also there could be a very strong air defense, and ever since we have had the dual capable aircraft, the Soviets have concentrated on air interceptors, of which they have many, many, many more than we do. Even with the negotiations going on now, they would have 2,700 aircraft and thousands of air defense SAMs of all different kinds.

Now, the toughest mission that there is for a pilot today in Europe, and you would understand this probably better than anybody in the room, is penetrating into that kind of an air defense, over long distances. This can only be done at low level, by getting underneath that defense, at high speed, to deliver a nuclear weapon—if, God forbid, that mission ever had to be executed.

Now, in order to ensure that the Soviets would feel that indeed, that is credible, we back that up with the whole mix of weapons. So that whether it is a moving target at short range, a moving or fixed target at medium range, or a fixed target at long range, we are capable of hitting that target. We threaten to hit that target.

I believe because of that, we need to keep up modernization. The Soviets, over the past 10 years modernized aircraft, artillery and missiles.

We also modernized aircraft and artillery, but we did not modernize the missile. The missile is the most important type of ordnance on the battlefield today. Navy, Army, Air Force, Marines, everyone is using missiles because of their capabilities to penetrate, to be accurate and so forth.

I think that it is a mistake if we do not support the Follow-on to Lance.

Senator McCain. I am sorry to hear that our tactical air capability is not nearly what we have been led to believe in the past. But let me ask you this, should the Congress of the United States—let me restate my question.

Unless it is specifically requested by our NATO allies, which has been the basis of our entire presence in the European theater, unless they specifically request modernization of Lance, should we, the Congress, fund it?

General Galvin. I do not think we have ever asked ourselves that question about the modernization of our own capabilities, even if those capabilities are to be used in Western Europe primarily.

We have never said "if we build a carrier, is it specifically requested," or something like that.

Senator **McCain**. Let us suppose our allies say they will not take it?

General **Galvin**. First of all, the NATO deployment decision is 2 years away. I do not know how important that is, but if they say they will not take it, I believe that we need the capability ourselves, we, as the United States.

Western Europe is not the only place in the world where we might find ourselves engaged where we might need a missile of a range under 500 kilometers.

FORWARD DEFENSE

Senator **McCain**. I am sure there are some other places.

I thank you, General. I know this debate will continue as we go through the budget process, and I think you have made an important contribution.

Admiral Kelso, there are two maritime strategies, at least in my view: one, the traditional theory attributed to Alfred Thayer Mahan advocating control of the sea lines communication, projection of force where necessary, mobility, et cetera.

Second, there is a new, more recent maritime strategy which defined, in the view of many on this committee, is to take the battle to the enemy at Vladivostok, the Kola Peninsula, et cetera.

Do you feel that that second maritime strategy is still a valid one? Do you still plan on a forward defense in an offensive scenario such as was described to this committee over a period of several years?

Admiral **Kelso**. First of all, I have a NATO job and NATO's strategy has always been defensive. I cannot imagine that war with the Soviet Union would not be a NATO war in the context of today.

I believe in a forward strategy because I think the strategy basically is: in a time of tension, you put your forces in the best position to deter war, and if war is not deterred, you are in the best position to fight the war.

So that means you cannot fight it sitting at home. You have to go somewhere and be prepared to do it.

One major part of my role is to support General Galvin's efforts on the flanks, and I would contend that the maritime forces are going to have to support him on the flanks. The other part of NATO's strategy is to not give up an inch of NATO soil.

The issue of when and where you would strike specific targets is going to be a tactical decision that could be made at any time. And so I see that as tactics, not a part of the maritime strategy.

If you are going to get into war, no territory is going to be sacrosanct, ours or theirs. So the strategy of forward defense I think is a valid strategy both at sea as well as it is on land.

If you do not go forward then you will end up with a war of attrition at sea, across the Atlantic. That is a guarantee. We have had that in two wars in this century.

Senator **McCain**. I believe you hold two positions, at least, one is as Commander in Chief of the Atlantic Fleet, which is separate from your NATO role. Is that correct?

Admiral KELSO. I am Commander in Chief, U.S. Atlantic Command. There is another four-star officer who has the Atlantic Fleet in Norfolk, yes, sir.

Senator MCCAIN. So in that role you would be concerned with naval activities outside of your role in support of NATO. Is that correct?

Admiral KELSO. That is correct, sir.

Senator MCCAIN. Now, does that forward strategy envision striking—sending carriers up to attack the Kola Peninsula?

Admiral KELSO. I do not think that we have ever espoused that we are going to start a war. If a war is started, I do not think there is any question that there are targets in the Kola Peninsula.

Senator EXON. Thank you very much, gentlemen. Thank you, Senator McCain.

It is now my pleasure to recognize an individual that has worked on national defense, an expert on national security for as long as both of you, I guess, have served in your very key posts over the years: my partner, the ranking member of the Strategic and Theater Nuclear Forces, Senator Thurmond.

Senator THURMOND. Thank you very much, Mr. Chairman.

General Galvin, I am glad to see you again, and hope that you and your family are doing nicely.

I recall visiting you in your previous assignment before you went to NATO and was very much impressed with your work.

Admiral Kelso, we are very pleased to have you here and compliment you on the excellent job you have been doing.

Admiral KELSO. Thank you, Senator.

MILSTAR

Senator THURMOND. General Galvin, is your future command, control and communications requirement in Europe being planned around the future deployment of MILSTAR?

In other words, do you think MILSTAR is an important communications satellite and does the current MILSTAR configuration satisfy your requirements as CINCEUR?

General GALVIN. I would like to thank you for that question, Senator, and also for your compliment.

Indeed, MILSTAR is of primary importance to me. It is the command, control, communications capability for theater emergency action. In other words, any major action that we might take and the decisions leading up to that action would be worked over MILSTAR.

So it is the keystone to what I call my command, control and communications architecture. Without it, the whole thing falls apart, and I need it. I need MILSTAR.

Senator THURMOND. Admiral Kelso, would you like to express your views on the MILSTAR program?

Admiral KELSO. Yes, sir. I support MILSTAR. It is a very important program. It is expected to provide communications capability and secure communications capability in ways that we do not have today, and considering the electronic warfare (EW) threat we will face in any conflict, secure communications will be very important.

A lot of people also forget that MILSTAR will provide better communications connectivity with our strategic deterrent forces in a heavy electronic warfare environment. So, I think it is a very important communications program, sir.

Senator THURMOND. General Galvin, with the reduction of U.S. combat forces in Europe a foregone conclusion, I assume that your contingency plans would call for the rapid reinforcement of any residual forces in the event of a change in the military climate.

Last year I believe you testified that both fast sealift and the airlift were in short supply. How much more critical are the lift requirements under the reduced troops in Europe scenario and which type of lift would you favor today?

General GALVIN. There have been some changes since the last time I testified before this committee and basically they are the differences we see now in the attitudes of the Warsaw Pact nations, the non-Soviet Warsaw Pact.

I would cite as an example the meeting of the Chiefs of Defense staff, including General Colin Powell, in Vienna over the last few weeks, and that was a meeting that went for 3 full weeks of discussions. At the meeting it was very clear to me that the military leaders of the non-Soviet Warsaw Pact want to be seen as independent. They want to be seen as national military leaders rather than some leaders connected together by an ideology and a tie to Moscow.

Now that I see that, and I put that in my preliminary studies on this, I believe that what we ought to do is concentrate on a balance of strategic lift that will get us forces there so that when we have a buildup, the buildup curve of the force generation will stay where it ought to be, at least at parity with the way that Soviets can build up.

Now, that takes a big effort because we have a lot further to go and a more difficult road across the North Atlantic. But I would say we need to revitalize the merchant marine, increase the ready reserve fleet, bring in the commercial sealift enhancement, get the flat racks and sea sheds and other things that we have been buying to convert ships into what we need, and get some fast sealift.

Now, there I would like to concentrate on the R&D of the fast sealift because my problem is changing from the need to get things over there early, which is being satisfied for me in many ways, by POMCUS and by the C-17 when it comes on, and by some of the sealift that we have and by the NATO shipping pool. And I hope that we will get Maritime Administration reform which would increase our capabilities.

So I am supporting, as I believe CINCTRANS, Gen. H. T. Johnson, is supporting, an across-the-board mix which includes fast sealift, which we already have—it includes continual study of the development of fast sealift—but there is a lot more in there besides.

Senator THURMOND. General Galvin, many in the Congress are advocating closing more overseas bases rather than closing so many bases in the United States. Assuming that President Bush's proposal to cut forces in Central Europe to 195,000 comes to fruition this year, how many bases could we close in Europe?

General GALVIN. We could close more than 50, sir. More than 50 installations and a lot of smaller places like the tops of little hills that have communication sites or something else on them.

And if I may add, it perhaps is known to the committee—I am not sure—that we have been closing and merging bases over in Europe for several years, and within the last decade we have closed at least 15 that I can remember.

Now, in addition to that, however, we will close about 50.

Senator THURMOND. Thank you.

PERSTEMPO

Admiral Kelso, yesterday former Secretary of Defense Brown advocated reducing our carrier battle groups to 11 or 12. Although this may be sweet music to the budget cutters, I do not believe it faces the realities of our international commitments and our status as a maritime nation.

If we were to reduce our carrier groups and not reduce our commitments what would be the impact of the deployment time of the remaining carrier groups and what impact would this have on the morale of the seamen who man the ships?

Admiral KELSO. Well, Senator, I think the best example I can give you is the late seventies and earlier eighties when we had 12 and the Shah of Iran collapsed and the President of the United States decided he wanted to deploy aircraft carriers to the Indian Ocean. We deployed aircraft carriers to the Indian Ocean and we stayed out there sometimes 140, 150, 160 days without anybody going ashore, and our people voted with their feet. It was described as a hemorrhage of talent by Adm. Tom Hayward, who was then the Chief of Naval Operations. I think the same thing would happen again.

If you do not reduce the commitment, you cannot reduce the forces or we pay for the commitments off the backs of our people.

Senator THURMOND. I just have two more questions, Admiral. I am addressing this question to you, Admiral. However, General Galvin, you may want to comment on it also.

NAVAL DISARMAMENT

The Soviet Union has suggested that it and the United States enter negotiations on naval disarmament. Although we may reduce some of our naval force structure and possibly even some of the ship-borne nuclear weapons, I believe our naval arms policy should not be tied to events in Europe but to our status as a maritime nation.

Would you give us your perspective on the implications of entering into negotiations with the Soviet Union on naval arms reductions?

Admiral KELSO. Yes, sir. I obviously agree with you that I think we should do what we need to do as a maritime nation to maintain a credible maritime force. I think the problem with the issue of naval arms control is that the only force the Soviets will be interested in negotiating away will be the United States naval forces.

We are a Nation which depends heavily on maritime trade, I believe our trade has gone up three times in the last 20 years—and not only imports, but exports as well. We trade throughout the world. We should not get ourselves in the position of having the Soviets dictate what we will have as a maritime force since that is the only way, I think, they will negotiate—I do not see how we can do it. It will be their force for our force, and we then would not be able to meet our national commitments.

I cannot see arms control negotiations like that as in the interest of this country. It just does not make any sense to me.

That does not say that we may not make politically and militarily a decision to reduce our forces. That may be the United States decision to do so, but I think we should not have it dictated to us by getting into that kind of negotiation. It is a different game than negotiating troop levels in my view. We have to think about our commitments throughout the world.

Senator **Thurmond**. Admiral, last question. On page 8 of your prepared statement you indicate that new technological advances will be required to maintain our deterrent with smaller forces. Please indicate what type of technological advances you are referring to.

Admiral **Kelso**. Well, I think what I am trying to say is that as our forces are reduced, we will need to continue to do research and development to have new technology available to us to offset the numbers of Soviet weapons. They tend to build in great numbers, but we need to maintain a technological lead.

I think it will be even more important as we reduce forces more than we maintain that technological capability and lead, sir.

Senator **Thurmond**. Thank you very much, and thank you both.

General **Galvin**. Sir, if I could, I also would like to make a comment about the Navy.

Senator **Thurmond**. Proceed, General.

General **Galvin**. Thank you, Senator.

I really have three reasons why I should speak up about the Navy. One of them is that the command and control of the Sixth Fleet is under my responsibility as CINCEUR.

Another one is that the naval forces that are part of Allied Command Europe are under my command in wartime as SACEUR, and I am proud to say that with reference to my colleague here at the table, my naval force is slightly bigger than his in wartime. That is only in number of ships. It is not in tonnage, but I like to bring that out every once in a while.

And my third one is that he and I, Frank Kelso and I, if the war ever came, would have to be the two people working closest together. The defense of the north flank, is a job for both of us, as is the reinforcement across the ocean, and the protection of the North Sea ports, and the exchange of combat power that goes in and out of the Mediterranean would all be a joint effort of Frank and I. We work on these issues all the time.

So I am very involved. Although my suit today happens to be green, I am very, very involved in naval matters, and I would say that it is imperative that we keep the Navy out of negotiations until we get past a lot of effort that is lying out there ahead of us.

First of all, there is the question of sea control versus sea denial. Sea denial is a lot easier than sea control. We have 1,000 shippings to get across the Atlantic Ocean in the first 30 days after mobilization, and a lot more than that if war ever comes. And I want to make sure that we maintain the naval capability that can do that. I do not want to trade away that capability in order to get something else in terms of air and ground.

I think that the air and ground negotiations should be held separately, and I think that we should very carefully watch the missions that the United States has as a Nation and as a part of the NATO collective.

When we come to any kind of naval discussions, this is very different from the discussions that we might have with air and ground, which are far simpler to work.

Senator **THURMOND**. Thank you very much to both of you for your contribution here.

Senator **EXON**. Senator Thurmond, thank you very much.

We now, I believe, will go to our second round of questioning, and I will open that.

I want to follow up on the issue of sea power. I will be asking a question that I suspect will be very tough for you to answer, Admiral, but we want your advice on these things.

First, I think it is the general consensus that we must continue our Trident program. I mean, that is a mobile force, the only mobile force that we have right now as far as strategic deterrents is concerned. That seems to be a must in priority. And given that and given your previous testimony with regard to the attack submarines, I think at least this Senator believes we have got to continue that area because if we are behind in the number of attack submarines, probably the only place that we would even consider that we might be somewhat inferior to the Soviets.

As we go through this budget cut, though, and I listened very carefully, General, to your statements, there is not any question that there is a difference among troops, air power and sea power. They all have to be balanced. But I would just say we have got to think a little bit further ahead than right now.

If we are successful as we think we might be, then we are not going to have to be as much concerned about protecting the North Sea as we certainly have been over the last few years. That does not mean that that threat is going to go away, but if there is a lessening of tensions—I suspect that there will be a significant change in the plans for sea deployment, which is certainly one area that we have excelled all over the world in the ability to project those forces. The facts of the matter are, though, as we scale back conventional weapons and instruments of conventional war, we are going to be taking a look at the Navy.

I would just like to ask you, Admiral—and I know it will be a tough question and maybe you do not choose to answer it. If, for example, we felt that to meet the budget constraints that we are going to be faced with and if we continue to move forward with better understandings with the Soviet Union and a lessening of tensions, and I would guess a lessening of tensions is what the President's peace dividend strategy is all about, if we had to make a choice for making some further cuts in the Navy, would you think that we should look first at the two remaining battleships or should we look at the possibility of eliminating one of the carrier groups?

It is a tough question, but I would like to have your answer it.

Admiral KELSO. Well, Senator, I do have an opinion, but I believe I would have to ask the Secretary of Defense, since he is going to have to make the decision as to what we do. So, I frankly believe I should not answer that. I think he has got to make that decision, and I should not put him in the position of having an admiral making a choice for him—one that he may not want to support. Then he would have to answer why do you not agree with your admiral. So, I do not want to put him in that position, sir.

Senator EXON. Well, I appreciate that, Admiral.

Admiral KELSO. I do think in answer to your question we know the future it is going to change, and I think nothing is sacrosanct. We are going to look at the options but the point in my earlier testimony was that if we are going to meet the kind of commitments that we have historically met we have to maintain the appropriate force level.

I do not think the world is so benign that there will not be future crises to which this country will want to respond with the movement of military forces. I would not like to see us get to a force level that if we politically want to take action, we cannot do it.

Senator EXON. I buy that theory, but I come back to my earlier point, Admiral. If we have a reduction in tensions around the world, it is primarily going to be in the immediate NATO area. It seems to me that this reduced tension will require a repositioning of forces so that we might not have to have a deployed aircraft carrier group go through what it does, which you outlined so well in describing the great sacrifice that was made by those people in the Gulf.

So I just want to encourage you to be fluid on this topic. I excuse you from answering the question because I know that puts you on the spot.

Do you have anything to add on this issue?

Admiral KELSO. I understand exactly what you mean, and I agree with that. I have no crystal ball that says the world will be the same tomorrow. I hope it is one that is more benign, but I do think there is a great deal of political instability in the world. That has very little to do with the East-West confrontation which we as a Nation have tended to respond to from time to time.

Senator EXON. I appreciate that. You are making a statement which I understand fully.

Please understand that those of us at this table will have to make some decisions on where the money is going to come from; therefore, when we ask you these questions, we are just trying to get some advice and input. We will await the Secretary of Defense's suggestions on the question that I asked you. That would probably be best.

Do you have anything to add to that, General Galvin?

General GALVIN. Just one thing, sir. That is, as we come down in size in Europe and even if we do stay at parity with the opposing forces, our ability to reinforce becomes more and more critical to us. The smaller we are, the more essential becomes that ability because we have to build from a smaller base.

So while you are correct that we need to look at the balance of forces in a world that is more benign, we also need to hedge against that requirement for the reinforcement across the North Atlantic.

Senator EXON. My time is up. We are now in the second round. Senator Warner would be next.

Senator Warner.

Senator WARNER. Thank you.

Chairman Nunn, have you had your second round?

Chairman NUNN [presiding]. No. Go ahead.

Senator WARNER. Gentlemen, let us talk about the future of NATO and the future of the Warsaw Pact. Watching Gorbachev on the world scene, he always comes up with a surprise. I am perplexed as to why he has not thrown the Warsaw Pact on the table and said it has dissolved and now there is no further need for NATO.

Do you think this is a contingency for which we should watch out, General?

You said in your opening remarks that very little is left to it. It has been referred to, I think by this Senator, as literally a hollow pact at this point; is that not correct? Its usefulness as a military institution is all but gone now.

General GALVIN. When Gorbachev wrote his book, "Perestroika," he said the United States should get out of Europe, NATO should get out, and I would be willing to throw the Warsaw Pact out along with it. Nuclear weapons should get out. Those were the three points he made.

Lately what he has said is that NATO probably should stay. He has sent Shevardnadze to visit NATO and talk to the Secretary General on a highly publicized visit. He has said he thinks the United States ought to stay in Europe. He has not said much about the Warsaw Pact, and he has also had some of his people at least saying that maybe nuclear weapons are required in Europe. That latter point is not one which I could attribute to President Gorbachev but certainly to some of his people.

Now why? I think the reason is that President Gorbachev needs structure, and he knows it. In the midst of the turmoil that is going on, he does not want to get rid of anything that can provide stability. So I am not sure at this time that he would say it would be a good thing to see the Warsaw Pact go away.

Now at the same time I think that he would not oppose the disintegration of the Warsaw Pact. I might add that the Warsaw Pact does provide for good communication among the capitals of the seven nations in the East, including the Soviet Union.

Senator WARNER. Then let us talk about that stability. You have the emerging countries in Eastern Europe struggling to adopt democracy now, because there is bound to be instability. Suppose they have a dispute between themselves predicated solely on border or ethnic problems, religious or whatever. Who is going to be the referee? Suppose force was needed like we have seen in certain regions of the Soviet Union of late. From where would that force come to put down death and destruction occasioned, say, between Bulgaria and Hungary or Romania and Hungary? You would not suggest that NATO step in, would you?

General GALVIN. No, I would not suggest that.

Senator WARNER. Let us make that clear.

General **Galvin**. I would want to make that clear.

I think that if we were to ask President Gorbachev, he would probably say you have seen my actions to date; we are not interfering militarily in anything that goes on in the non-Soviet Warsaw Pact nations. We are trying our best to influence them, but we have refrained from any kind of military action.

I think that the Soviet attitude right now seems to be to leave that alone; in fact, to discourage that.

Senator **Warner**. There would be no policeman on the block should disputes arise between those two nations?

General **Galvin**. There would be no policeman on the block. We saw this happen in the GDR, in East Germany, when the activities began about the wall. The Soviets made it very clear that the Soviet forces in East Germany were not going to do anything but stay in the barracks.

Senator **Warner**. So they would be left to themselves to sort out such problems as may arise occasioned by borders or ethnic disputes, and if force is necessary they would have to draw on their own forces to resolve that problem?

General **Galvin**. That is the way I see it, Senator.

Senator **Warner**. Then let us dwell on what it is that we provide by way of stability to keep a 195,000 troop level for the United States. What does stability mean?

General **Galvin**. Stability means the response to the next step after what we have just discussed; that is, if we look at such things as Sarajevo and the beginning of World War I, if we look at how things have begun in the past, if we look at the incidents in which the Soviets have been involved or not involved, and if we look at all the possibilities because of the old borders and so forth that exist in that part of the world, one thing can lead to another pretty fast.

When the Soviets put a large number of military forces on a border with Iran and Turkey, I think everybody has to hope that all of that will remain stable. It is the overflow question, not the initial question, that I think is very worrisome.

I do not think that we are going to go through two or three decades in which there are no problems about borders regardless of the assurances we have had from many nations lately. I think that there will be problems. There have always been problems. History is not going to change because human nature is not going to change, collectively or individually. Overflow is liable to be there, and we need to balance against it.

Senator **Warner**. It is a very generalized subject, that word "stability."

General **Galvin**. Yes, sir, it is.

Senator **Warner**. It is predicated largely on the lessons we have learned in history rather than any specific threat as we perceive it today.

General **Galvin**. I would not want to try to predict those threats. You are right. They are unspecific as far as I am concerned.

Senator **Warner**. When the President made this historic announcement, which I incidentally support, about reaching the troop level of 195,000, that being a floor, what was the reaction among other NATO members? Are they now looking at a very substantial cut of their forces?

General **Galvin**. The official reaction among the NATO nations which took part in the North Atlantic Council when all the representatives of the nations were informed was one of strong support. Now I think that other reactions will be probably what we are seeing already, which is that many nations of the alliance are looking ahead, making plans as all nations do 5 or 10 years out, and asking what will the situation be out there? What they see tells them that it may be time now to take some dividends. So many nations are planning reductions of one kind or another in forces.

I would add quickly that reductions are not taking place right now. The support for the alliance among the alliance members remains good. When you begin to look at their planning for the future, that obviously could change as the situation changes; but that is part of the answer, I think.

Senator **Warner**. General, I am going to ask the Chairman, since my time is up, to put in a question on Lance, because I am concerned that the logic may be fallacious. We talk about the Germans will not support a missile that will land on Leipzig but then we will support the aircraft which have the same capability as the ground-based missile, and somehow I want to sort out that logic, and I hope that you will provide that, because this is going to become a very major issue on the floor.

Chairman **Nunn**. Why don't you go ahead and answer that, General Galvin? We will certainly give you extra time, Senator Warner.

Senator **Warner**. Thank you, Mr. Chairman.

General **Galvin**. I will try to answer that. I think that the Germans will continue to support NATO, therefore they will support the strategy of NATO. Every time they have ever been asked that question, they have said, "yes, we support the strategy of NATO."

They were part of the development of the comprehensive concept which was the last official announcement on this subject made in May of 1989, and at that time they said, we continue to support a conventional as well as a nuclear force in the execution of the strategy and we think it should be kept updated when necessary.

Now, that was a generalized response. You are right that there is ambivalence about the question of nuclear weapons for all the well known reasons, but the Germans want to be in NATO and they want to be part of the strategy, and they want to be a decision-maker when it comes to nuclear weapons, and if you do not stay on the team, it might be a little hard to be in on all the decisions. I think that those factors are important to the Germans.

Now, we know that the decision on Follow-on to Lance has been postponed to 1992, and there has been no discussion about the tactical air-to-surface missile or any of the other factors here. I think much will depend on this year and the many elections, including the two national elections which will occur in the FRG and the GDR, and we will have to see which way all of that goes.

I hear, as well, the comments made that there will be no support for the deployment of a Follow-on to Lance. The official position of the German Government is that the decision—and there is generalized support for nuclear weapons in Europe—on the Follow-on to Lance will be made in 1992.

Senator **Warner**. But the question is, the parallel technical capabilities of SRAM-T and the Follow-on to Lance are about the same, are they not? From the standpoint of the commander in the command post, he could exercise a command on either system and presumably inflict the same amount of damage to the target, wherever that target may be?

General **Galvin**. That is basically correct.

Senator **Warner**. So if the logic applies to one system, it applies to the other system?

General **Galvin**. That is correct, also.

Chairman **Nunn**. But can't you fly a lot further? By the time you fly and then shoot, does that not have a lot more range than a ground-based system?

General **Galvin**. Yes. I think we were talking there about the effectiveness on target. I am not sure.

Chairman **Nunn**. But the psychological and political part is not effectiveness on target, it is where the stationing takes place in order to achieve the targeting, and it is also a question of range, whether it can get beyond the German territory and the territory of Eastern Europe.

General **Galvin**. These are not twin missiles, by any means. One is carried by an aircraft, so you get all the aircraft range worked into that.

Actually, the SRAM-T is of a lesser range than the Lance. But if you add in the F-111, or whatever other aircraft, the F-15E that are going to be able to carry SRAM-T, you get the kind of ranges that could penetrate into the Soviet Union.

Chairman **Nunn**. You can get beyond Eastern Germany and Eastern Europe?

General **Galvin**. Yes, and they would not fall in Eastern Europe. On the other hand, the Follow-on to Lance would have a range that would be between 400 and 500 kilometers, so it is a shorter range.

Chairman **Nunn**. The airplanes can be stationed in multiple countries rather than simply in Germany, can they not?

General **Galvin**. The airplanes are already stationed in multiple countries, that is correct, and this is a very important aspect of this. There are eight nations which possess aircraft that we call dual capable that could fly with either conventional or nuclear ordnance. There are eight nations that also have artillery, and there are six nations that have Lance. This is not just a question for the Federal Republic.

Chairman **Nunn**. Isn't that enormously important, politically?

General **Galvin**. Yes, it is.

Senator **Warner**. Mr. Chairman, my simple point was, there are a category of targets which can be reached by both systems. In an analysis of those categories of targets, there should be a parallelism in the logic.

General **Galvin**. That is correct.

Senator **Warner**. But basically, the targets break down into fixed and moving targets, and for the most part artillery and Lance and Follow-on to Lance would be used against moving targets, and a SRAM would be used against fixed targets, although there would be some fixed targets also for Follow-on to Lance.

Chairman NUNN. Senator Cohen, on this point.

Senator COHEN. Mr. Chairman, might I suggest that logic has very little to do with it? If I can quote from Justice Holmes, he said,"A page of history is worth more than a volume of logic." I think that is particularly true when we are talking about our NATO allies.

It is not logic which has driven our strategy at times, but rather experience and psychology, and I would just respectfully submit that you need to have one footnote, General, to the proposition that NATO has always accepted NATO strategy.

One exception would be chemical weapons. As you may recall, we had a strategy to replace binary stocks for the unitary stocks and the NATO countries refused. Specifically, Germany refused to accept that. In fact, we are now in the process of withdrawing it, so they have not always accepted everything we thought was in the best interests of NATO strategy. I have other questions, Mr. Chairman.

Chairman NUNN. Why don't you go ahead?

General GALVIN. Could I comment on that, Senator Cohen?

Senator COHEN. Could I just make one other point?

Getting to the logic versus the psychology, when it came time to try to respond to the SS–20 threat that was generated by the Soviet Union, we came back with the Pershing II and the land-based cruise missile, when in fact to have a more stable deterrent the sea-based option may have been preferable, and yet because of the question of decoupling we decided to go forward with the land-based system.

So I would again suggest, logic does not dominate, and it may be a question of psychology which is a much more important factor to be taken into account when dealing with Germany in particular.

General GALVIN. I would just make one comment on it. It seemed as if you were saying that Germany or NATO has not accepted our U.S. decisions every time. After all, there are 16 nations and supposedly the Alliance is an independent, voluntary Alliance in which many people make recommendations to the alliance and not necessarily all of them are accepted.

Senator COHEN. I was just responding to the point you made that in every case NATO has accepted the strategy. The strategy, as I recall, for deployment of chemicals was rejected by Germany specifically, was it not?

General GALVIN. Yes. I think when I mention strategy I do not mean some single aspect of it, I mean the overall strategy of forward defense and flexible response.

Senator COHEN. You indicated before you recommended a larger military presence than the 195,000 adopted by the Administration. I think you indicated that larger military presence has a positive political significance. It can also have a negative one, depending upon the circumstances, and I was particularly interested in the opinion poll—by the way, was that a professional opinion poll that was conducted in terms of German attitude toward the presence of U.S. forces in Germany?

General GALVIN. I believe that was by one of the major opinion pollers, and I will provide that information.

Senator COHEN. That would be important, because we get opinion polls taken by talk shows that are not necessarily reflective of attitudes. It depends upon who you ask, number one, how you ask the question, and the timing factor.

Several months ago an opinion poll was taken in the Soviet Union and it was published by one of the major papers and it showed Mikhail Gorbachev being at the very bottom of popularity in the Soviet Union, behind a number of other people, and Mikhail Gorbachev reacted rather negatively, and in fact was going to have that particular editor fired. I am not sure whether the same opinion poll would reflect him at the bottom or the top in today's time. But nonetheless, in turbulent times we should be reluctant to look at opinion polls. I can foresee the follow- up on what Senator Warner was talking about, that Mikhail Gorbachev may have no option now.

He may see East Germany rushing into the arms of the West and telling the Soviet forces to get out. He might, in fact, promise to remove all Soviet forces from East Germany provided the United States does the same, so that Germany could be reunited. Take an opinion poll then I think the numbers might change.

But what you are suggesting is that he is unlikely to do that, because he still sees—even if all of the Soviet forces were forced out of East Germany—he still sees the need for some kind of a stabilizing factor. That may only come about by some kind of a presence of NATO and the United States being a part of that. That is your judgment, is it not?

General GALVIN. Yes, sir.

Senator COHEN. I wanted to talk about the future of forward defense, because if we have a united Germany, if NATO guarantees it will not deploy troops to those areas formally part of the GDR, how do we maintain a forward defense?

General GALVIN. Obviously, we are doing this already in places like Norway, where we do not have any earmarked NATO forces. In the northern part of Norway, in Finnmark, for example. We are doing it in Turkey, where we do not have very many NATO earmarked forces. We are doing it in other places, such as Thrace.

We have had, all along, ever since 1949, nations which have set preconditions as to what they would do and not do within NATO. So the first thing I would stress is that it is nothing new, if we do come up with this arrangement.

Now, suppose we do? First, the inter-German border will not have the importance that it has today. It in fact will not have any importance. So I would see a forward defense and flexible response in which our forces are basically located in the general areas that they are today, but the defense itself would probably make use of German forces in a united Germany, which would be the forward forces, and I would make the analogy to Norway today.

Senator COHEN. I think what we have is a situation where the conservative Germans say NATO has a forward defense, the liberals say they have appeased Soviet concerns, and the SACEUR has the time for space tradeoff that has long been denied. I think that is ultimately what we are going to have.

Chairman NUNN. Senator Cohen, would you yield without losing any time on that point? What is forward defense, in terms of what are we defending? Are we defending the West German territory, or without forces in East Germany, will we be defending East Germany also?

General GALVIN. I should emphasize that obviously the answer to that and a lot of other questions I have been answering are really political questions and I hope everybody realizes that I am trying to give an opinion, that political leadership is eventually going to provide the answer.

But forward defense has always meant that we would meet as early and as far forward as possible, and that we would defend in such a way that we would not in the end lose even a square centimeter of terrain.

Chairman NUNN. Of West Germany?

General GALVIN. That is what is meant. Of all the Alliance nations, that is right. Because there are two nations that abut the Soviet Union. West Germany does not, but she abuts the Warsaw Pact.

We have stated that that has been the aim of the Alliance, and it does not mean that we would not have mobility in our defense. In other words, there is no way, actually, in the modern, industrial, technological world, to say you are going to defend every inch. And in fact, if you tried to do that, it would be a disaster, just as it was for Belgium, for example, in two world wars, where Belgium defended too far forward.

What you have to do is recognize that there would be some mobility, there would be some penetrations. These would be cut off. When you are on the defense, you do not have the initiative. What you really are seeking is not to defend every inch, but to gain the initiative.

You gain that initiative by finding vulnerabilities in the enemy as he attacks and working on those vulnerabilities with your reserves, and so forth. I think this is all well known, but it does not mean that we form a daisy chain on some kind of border somewhere and defend that way.

I think obviously there are political ramifications to this in which a person might say, you mean you do not intend to defend my town, or my street, or something else like that. I think, however, it is accepted in all NATO nations that there is a mobility required in modern defense and there is some give and take of terrain that would have to be involved as you fought a battle.

Chairman NUNN. Thank you, Senator Cohen. I yield back.

Senator COHEN. Just one other question. General Galvin, you spoke or wrote, at least in your testimony, on page 6, about, increased warning time means little if you cannot respond in time and operational strategic surprise remains a possibility.

Would you agree that strategic warning can fail, and fail for a variety of reasons, including poor judgment and a lack of communication between the analysts and the decision-makers?

General GALVIN. Yes. I think that the history of the United States in war in the 20th Century would prove that time and time again. We were surprised in Pearl Harbor. We were surprised twice in Korea, once by the Koreans and then once again by the

Chinese. We have been surprised by almost every kind of military action that has taken place in this century.

Senator COHEN. But the failure of strategic warning should not be considered to be synonymous with a bolt from the blue. Those are two entirely different concepts, are they not? You can have a failure of strategic warning in high tension times and have had so, and you can have a bolt out of the blue in pure peacetime. So they should not be considered to be synonymous. They are, in fact, different.

But would you also agree that—well, for example, a bolt out of the blue is considered to be so remote that some have argued we should not even defend against it. I do not agree with that, because you have to take into account the consequence of a failure of a strategic warning here, what happens, and if you look at the situation with respect to strategic nuclear weapons, the consequence is so great, even though the possibility is so remote, you nonetheless have to defend against it.

What is interesting to me is that up until late 1986, it was the United States policy that our ICBMs had to be able to perform their mission even if strategic warning were to fail. That was always the policy.

Then they went through—we spent a lot of money, a lot of time trying to develop various systems, shell games, closely spaced systems. Finally, we came to the conclusion that it would not work.

We could not find a system that could survive without strategic warning, so we declared invalid the requirement that ICBMs perform their mission independent of strategic warning. That is why we have, now, the rail garrison.

So the question I have is, what is your opinion about force requirements being rewritten to fit weapons systems, rather than the weapons systems being designed to meet force requirements?

General GALVIN. Well, obviously, I think that weapon systems have to fit force requirements. I do not really know, as you do, the history of all of this other part, because I am not that much involved in it.

Senator COHEN. These systems had to be able to survive a nuclear attack and then be able to respond. And now we have a situation in which that is declared to be an invalid requirement. That we now rely upon strategic warning. And we have now tried to find a rationale, it seems to me, to fit a system that will not perform that mission.

General GALVIN. Can I comment on the bolt from the blue for a minute? Everyone smiles derisively—or not everyone, but some people do—about bolts from the blue. I am responsible at this moment for the air defense over Western Europe. That is one of the missions that I have that is active and that does not mean only in wartime, it means also in peacetime.

All the people, it seems to me, who said there is no importance at all to this bolt from the blue thing, were up in arms when the MiG–23 crossed the border not long ago, and I scrambled two U.S. aircraft out of Süsterburg Airfield, to meet that aircraft. And of course we found that there was nobody in it, interestingly enough. And one of the questions was: "Why didn't you get there sooner?"

Well, we did not get there sooner because we do not really think that we are going to get a bolt from the blue. And in that case, one aircraft, flying in a straight line at a high altitude did not seem like a bolt from the blue.

But there is still a lot of fear of the bolt from the blue. I guess there is a lot of remembrance of things like Pearl Harbor.

Chairman NUNN. Thank you, Senator Cohen.

Senator Gore, could I take a brief round here on this same line of questioning that Senator Cohen was going in, and then I will yield to you?

General Galvin, I would agree with you that there are a lot of political decisions that have to be made, and these are not purely military in terms of forward defense and East Germany and West Germany and what happens after reunification. But I think from your statements, and let me just get you to respond to this, I would submit from your statements that it is clear we have got to rethink our strategy.

Because you said that we basically still had flexible response and forward defense. Correct, that is still our strategy? You said that the East German/West German border was no longer meaningful. And you said we were going to keep our troops stationed in the same places, roughly. You also said we would emphasize mobility.

Well, if you have a reunified Germany, and we could have this in de facto fashion before this budget that we are talking about right now is concluded, you have got to define what you are defending.

Are you defending West Germany or are you defending portions of East Germany?

If you are defending only West Germany and there were an invasion, do you wait until they get to the border or do you move forward to meet them?

If you move forward to meet them, what size force would you have to have?

And the whole question on lines of communications.

So I do not see that there is any way we can say we are going to stick with the same strategy under vastly different circumstances with a totally different threat, with the whole forward battle area being in possibly a different location.

And I am not saying these are all military questions. A lot of political questions have to be answered before you can plug in the military strategy. But it seems to me you have got to be running up a flag to the political leadership of the Western world saying, look, fellows and ladies, tell us militarily as we go along here what the political situation is.

Karl Kaiser testified the other day from Germany. He said he envisioned very soon, shortly after CFE, a reunified Germany. He also said that the way he visualized that happening and the only way he could figure out it could happen is to have the German armies, West Germany and East Germany in all the forward areas, and have the non-Germans located in Germany in the rear areas, whether it is the Soviets in the east or United States, British, Canadian and others in the west.

Have you started thinking through the military implications of a reunified Germany? That is my question.

General **Galvin**. I have always appreciated your interest in strategy, which has been continual all along, Mr. Chairman, and I appreciate that question.

I would like to give you some answers to that question, and I will. I also have to recognize that any answers that I give to this cause all kinds of people to rise out of their seats and say, hey, wait a minute. SACEUR or CINCEUR cannot answer all of that.

All he can do is make recommendations. They go to the military committee. The military committee looks at them and sends them to the North Atlantic Council. The Council sends them out to all the nations. The nations come back, et cetera, et cetera, et cetera.

Recognizing all of that, I believe that we have a good strategy in forward defense and flexible response. One of the things about it is that it has been very, very versatile.

We have changed our technology. We have changed the membership of NATO. We have changed all kinds of things in the past four decades. Actually, really since 1967 concerning this aspect of the strategy.

Now I think that that shows its flexibility and its versatility. It shows, that if you come up with a strategy these days that is mobile defense backed up by nuclear weapons, you have got yourself a pretty good strategy.

Now you have to be able to adapt it, though, to the situation.

We do not have any idea at the moment how Germany would come together. But to speculate and say that if it came together under NATO, but with some arrangement by which NATO forces, with the exception of Germans themselves, would not be in the eastern part of the new Germany, that is, the old German Democratic Republic, then what you would have is a strategy in which the basic tenets would not change.

And that is, we would have a much stronger reserve than we had before, because it would amount to the remaining residual forces in the current Federal Republic, and of course all the rest of the nations of NATO, from Norway to Turkey.

But talking about the Central Region, as you grow smaller, anyway, in a mobile defense, which consists of a covering force, a main line and reserves, you have to reduce something. So what you reduce is your main line.

You keep the covering force because you need the eyes and ears out there. And you keep the Reserves because you must seize the initiative, so you need to be able to respond.

So you have to sacrifice something and take a risk, and so you sacrifice part of the main line. Eventually, if you have to keep that up and get smaller still, then you merge the covering force and the main line, and what you end up with is a very strong covering force and a reserve, and not much else.

And then you proceed in engagements which we would call movements to contact and meeting engagements, rather than what you have now in the general defense plan, which is a hastening up to occupy positions, and fighting from those initial positions at the start.

Now how, though, all of that would be worked out, would be a matter of my making recommendations as SACEUR, not CIN-

CEUR—CINCEUR just supports logistically all of that—and then see if they flew with NATO.

Chairman NUNN. We are going to have to rethink a lot of our basic assumptions, though, are we not?

General GALVIN. I think we are and I think we have all along. At least I certainly am thinking ahead as to what kind of a configuration we would be in. Let me say this:

I have 10 four-star generals who are subordinate to me in Western Europe, and I have all of the organizations that fall under those people, and I do not make the decisions by myself staring at the wall or the mirror or something. I go out and talk to them all and see what they are thinking. And very often I am affected very much by what they are thinking, because they also have very important roles in this whole strategy development.

And I would say that we have been intensively talking about these things for at least a year, in every meeting that we have. And we rarely talk about the things we used to in meetings, which were at a somewhat lower level, because there was not this kind of consideration that had to be made.

So it is not something that is going to take us by surprise. We think that we can stick with the strategy that we have. We do not think that other strategies that we have looked at, and we have looked at many—all the defensive defense stuff and so forth—are any better. I do not believe that if you cut your mobility you can have a decent defense, because you will be defeated piecemeal. We mostly concur in that.

And so we are looking at following on with yet another evolution of the strategy of forward defense and flexible response.

RESERVE FORCES

Chairman NUNN. Admiral, let me ask you one question. And I know this one is going to be discussed because it was brought up last week by General Vessey as he was testifying with the three former chairmen of the Joint Chiefs of Staff. And I asked him the question about what approaches they would take in preserving defense capability in the face of shrinking budgets?

He argued we needed to increase our reliance on reserve forces. And he specifically challenged the Navy to come up with more creative ways to utilize the Reserves, including reserve ships. He believed that we had to shift some naval forces to Reserves, particularly in light of the decreased threat, tempo, and so forth of Soviet operations.

If you were told you were going to have to shift 50,000 personnel under your command, or you pick any number you want that is in that range, from active to reserves, where would you start, after you got over your initial shock? [Laughter.]

Admiral KELSO. Well, I have not thought too much about it, Senator.

First of all, in the Navy, I think we have some very credible Reserve forces throughout our Navy, particularly on the air side of the Navy. All of our air logistics, basically, are flown by Reserves today. A large segment of our maritime patrol airplanes are crewed by Reserves today.

The ship part of it has not been as good. The reason being that if you crew a ship with Reserves it is not a deployable asset. And our Navy has basically always been a deployable Navy. The Reserves do not make a deployment in the Mediterranean or the Indian Ocean.

So if you are going to put more assets like that in the Reserves, you have to reduce the commitments that you are going to meet with the forces you have.

I would agree with General Vessey, maybe we ought to look at more innovative ways to do it. But if you are going to operate a ship, it does not make much difference whether it is a reserve or an active ship. If you are going to put people on it and send it to deploy, it is going to cost you basically the same thing. It is not a savings to put more of them in the Reserves.

So it does not lend itself very well to, say, have a reserve carrier or a reserve frigate or a reserve submarine if you are going to use it as a deployable asset.

Chairman NUNN. I think he was alluding to cutting down the steaming time and basically have it operating not as a full-time asset, but more a part-time asset.

Admiral KELSO. If you reduce the commitments so that you do not need as many steaming assets on a day-to-day basis, and if you assume that you would have a longer time to make forces ready, you could put more things in the Reserve.

But as long as we maintain the current commitments, I do not think you can go that much further into Reserves without the Active Navy continuing to take the role of making the deployments, which means the people are gone more of the time.

Chairman NUNN. But with the Soviets cutting down their deployment time, and you mentioned that a few minutes ago in their locations and so forth, could we not use the active forces we had in areas that were not as related to the Soviet threat, and then have the Reserve forces ready to move, if necessary, to meet a growing threat if it emerged?

Admiral KELSO. I do not think that we have many forces deployed on a day-to-day basis that totally look toward the Soviets today.

Chairman NUNN. That may be true, but I have been here 17 years and every budget I have ever seen sold by the Navy has been 90 percent based on the Soviet threat, and about 10 percent on others—maybe 20 percent.

The rationale, the threat, the array of forces against our forces, the contingency plans, the carrying of the maritime strategy that Secretary Lehman used to articulate going up in the Kola Peninsula and the aggressiveness, the assets that would be used, even against Vladivostok and other areas in the Pacific, 90 percent of it, or at least 80 percent has been the Soviet threat.

I am not saying that threat has disappeared, and I am not saying that we need to decrease the size of our navy, but I am saying that if that threat has significantly changed in its nature of operation and where it is located, then it seems to me the Navy has got to do some rethinking itself about ways that we can keep the contingency plans there without spending as much money.

Admiral KELSO. I understand exactly what you are saying, sir.

Chairman **Nunn**. At some point I know the constituencies out there are not going to want us to take the position of well, we have got X number of forces and X number of ships, and we want to keep them ready. And even though the threat has gone down, if we do not keep them ready they are not going to be happy.

Therefore, we have got to keep them ready, even if it costs us the same amount of money we were spending before when the threat was bigger.

That logic may sell in the Pentagon, but it does not sell to the taxpayers, if the threat has gone down.

I think the American people are absolutely prepared to meet whatever the threat is. But if the threat goes down, I think they expect all the leadership in Washington, in the Pentagon, and everywhere to begin thinking of ways that we can meet that changed threat, and have a reversibility, if need be, by spending less money.

I know that is what we are going to be charged with when we go to the floor of the Senate. If we do not have answers to that, if we just say well, we have got to keep people happy because they want to have high morale and keep them ready—I agree with all of that—but if that is the answer, they will say, well, has that become the end purpose of our military forces, to keep people with high morale? Or do we have forces out there to meet a challenge and a threat?

Go ahead and respond.

Admiral **Kelso**. I understand exactly what you are saying. All I am saying is that if you look at our maritime forces today, they are deploying to meet commitments which I do not think will go away because someone decides the Soviet threat has gone away.

And I think that it is an issue that obviously you are going to ask questions about. But I think it is true we have many commitments for forces today that we have had historically deployed throughout the world.

Chairman **Nunn**. I agree with that. But most of them have been overlays on top of the Soviet threat, like the Persian Gulf, the third country scenario. We have said we have had this basic threat. And then here we have the overlays that could carry anywhere in the world.

But when you take away that basic threat, the whole threshold comes down. I am not saying that whole threat is gone. The Soviets still have a large navy, a formidable navy, and we have got to watch that very carefully. But I do think we have to assess the whole threat.

Admiral **Kelso**. Senator, I am certainly not arguing that issue with you. The Persian Gulf is perhaps a good issue. I believe we have had deployed in the Persian Gulf since about 1949 on the average of about five ships. It is maybe six or seven today.

But during that entire period I do not think we deployed primarily as a result of the Soviet threat in the area.

Chairman **Nunn**. I agree, but 450 or 500 ships in a navy are not needed to take care of a Persian Gulf contingency, even if it is one of the larger contingencies. You could not get that many ships in an area close enough to the Persian Gulf to even operate, even if you had them out there.

Admiral KELSO. No, sir, I understand that. But at the same time, in order to have a reasonable morale for your force, one ship cannot stay there all the time. You have to repair them, maintain them, and train people. It takes more to keep that kind of commitment.

Chairman NUNN. I agree with you completely on that. And we have got to watch the morale of our force. We have got to be very conscious of that. But the morale of our force cannot be the end through which we ask the taxpayers to spend money.

Admiral KELSO. Well, I certainly agree with that. I think the forces we use has to be the answer. I am not asking you to maintain the Navy for the morale of our forces.

I think you have to maintain the commitments that this country is going to meet, and then we have to take into account the morale of the forces to meet those commitments. That is all I am saying.

Chairman NUNN. Absolutely. We are on the same wavelength.

Senator GORE. Mr. Chairman.

Senator NUNN. Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman. But before I take my time, I think General Galvin wanted to say something.

General GALVIN. I did, Mr. Chairman. I would like to make a comment, Senator Nunn. I wonder if I could make a comment on commitment just as a follow-up to what you said.

Chairman NUNN. Yes, sir.

General GALVIN. I think we do need to consider on this committee this point about commitment in another way, too. And I would like to discuss it as Commander of Naval Forces.

We, the Americans, are the Phoenicians of the modern world. Everywhere you look there are Americans no matter where you go. You talk about the number of dependents that the military has in Europe. It almost pales besides the number of American tourists in Europe or the number of people who work in Europe for various companies, including most American companies, and this whole intermixture means that very often, well not very often—but when it does happen, very importantly—people say we need to evacuate that embassy, we need to help those American people who are doing this, that or the other in some part of the world.

And almost always in recent history within 48 hours or so we are able to say fine, we will take care of that. In fact, I would cite the evacuation of the embassy in Lebanon which was a very smooth operation with no problems at all not too long ago. That was an Army operation with an able assist from the Navy and the Air Force and the Marine Corps. By the way, they were all standing by on other occasions when they did not have to be used.

But the point is Army, Navy, Air Force or Marines, people are going to be coming back to you and saying very fine. We can steam there. It will take us 15 days, it will take us 7 days. So, things are going to change in terms of the parameters that surround military response to commitments as we come down in size, and I am sure that that is recognized, but I wanted to bring it out.

Senator COHEN. Could I just ask my colleague one thing?

If the Americans are the Phoenicians, would you define what the Japanese are?

General Galvin. Well, the Japanese are not the Phoenicians yet. They are not all over the world. If you go and look, there are Japanese in Paris and there are Japanese in London, but there are a heck of a lot more Americans in both of those places.

Senator Cohen. I am sorry. Thank you.

Chairman Nunn. Senator Gore.

Senator Gore. The Phoenicians are not a party to the CFE talks, are they? Their power and influence have waned a little bit. I do not know if they got overextended or we still have the alphabet, but I do not want American R&D and knowledge to be the only lasting impact we have.

But before getting into that, I want to welcome Admiral Kelso particularly because I want the record to fully reflect his origins and his roots in Lincoln County, Tennessee. Our families have been friends a long time. Please give my regards to Mrs. Kelso. We enjoyed being with you all when the U.S.S. *Tennessee* was commissioned and we certainly are proud. We are all, as Tennesseeans, proud of the good job you are doing, Admiral.

Admiral Kelso. Thank you, Senator.

Senator Gore. And welcome, too, General Galvin.

Speaking of Phoenicians, I had an opportunity to visit in my office with the CEO of one of the largest telephone companies in America doing business around the world two days after the Berlin Wall was opened up. They had a contract negotiation underway with West Germany within 48 hours to provide cellular telephone service.

Within 48 hours of the Berlin Wall's collapse they had completed rewritten the bid specifications to cover East Germany as well as West Germany.

In that same 48-hour period, literally hundreds of joint ventures between East Germans and West Germans were solidified and put in place, sometimes with the contract terms being so fuzzy as to defy imagination, but the opportunities that opened up in that moment of history were instantly recognized by the marketplace.

The adjustments have accelerated since then and now the political developments are beginning to move, perhaps decisively toward functional reunification. Whether we like it or not, whether a vote on that question would carry in this room or not, it is happening.

And the questions you have been getting here today really reflect a concern that the United States of America has in formulating our military and geopolitical strategy in Europe while fully taking into account these developments. Can we rewrite our bid specifications in 48 hours?

The answer seems to be no. I do not mean that answer as critical of the testimony we have received this morning, not in any way. I fully—I sympathize with the position you all are in at this special moment in history, but along with my colleagues I want to underscore the importance our constituents place on DOD's extra efforts to think through the end of this process.

General Galvin, you said on page 3 of your testimony, "When we have had vision, such as after the Second World War with the Marshall Plan, the Truman Doctrine, we have had a lasting peace, but when we have allowed petty concerns to blur our vision, we have sewn the seeds for future disaster."

Gen. Omar Bradley said in 1945, "It is time we steered by the stars and not by the lights of each passing ship." And the vision he and others helped to formulate really resulted in the victory of 1989, but examining overnight public opinion polls and calibrating the nuances of the day's statements and having policy flow from that process is the equivalent of steering by the lights of each passing ship.

Where will the new vision come from? If we choose once again to steer by the stars, which stars will we choose as our guide?

Some seem to assume that the vision of 1945 will still suffice and that any alternative to that vision is petty squabbling, but clearly we must move forward to a new definition of where we are headed and why.

I am sorry, I am trying to interpret the bells. Are we halfway through a vote?

Senator COHEN. Yes, it is a vote on a motion to table.

Senator GORE. Okay, I found out what I needed to know. I will wrap up quickly, and save my questions. I hope that we will be able to return. Let me just summarize very briefly the point I was trying to make.

I think the vision of 1945 and the assumptions on which it was based would support a continuation of a Lehman doctrine, for example, Admiral, to deploy naval forces forward at the northern flank, to continue to define Iran's peril from the Soviets as a strategic mission for us to respond to.

I think that it would also support a continuation of the basic posture of our land forces in Europe. But the situation is changing so drastically and so thoroughly, we really need a new vision and a new approach.

I think we might even hear a little differently, what the Soviets said in a different context about zones in Europe. I am not talking about nuclear-free. I am talking about zones where different kinds of activities are anticipated and permitted. Maybe that is something we ought to look at a little bit differently.

I heard you referring to what sounded like a moving screen in the forward areas instead of a steel wall. If we are going to strategically thin out our forces, maybe this idea of zones needs some more attention.

I intend to follow these thoughts up with a statement on the floor shortly and, as I said, if we do not have a chance to explore it in open hearing questions, I will do so with you individually. But in light of the time and the bells, let me conclude my remarks by again thanking you all for coming here. Thank you.

Chairman NUNN. Senator Gore, do you need to come back for another round of questions?

Senator GORE. That is all right. I realize the time constraints the committee is under, and I would like to, but I am under the same constraints, Mr. Chairman.

Chairman NUNN. General Galvin, Admiral Kelso, we appreciate very much your being here. We will probably have a few questions for the record. We are trying to minimize those for you, but I am sure some people were caught by the vote that would otherwise be wanting to ask more questions, but you have been very helpful.

We are all in a period of transition and fresh thinking and new thinking and new assumptions, and having people of your caliber and experience in your respective positions is indeed comforting to me, and I am sure to all the members of this committee.

So, we thank you and we hope you will express on our behalf our appreciation to the men and women in your command for the job they have done, and I think, General Galvin, you said it very well at the beginning of the hearing that we have had 40 years of dedicated effort by the men and women in our military, and I must add by the American taxpayers and by our allies to bring us to this point.

And now the question is whether we will have the vision to do as well for the next 20 or 30 years as our predecessors did in the last 40 when they laid out a strategy for our country which largely has worked over a 40-year period.

So, we thank you for being here.

We will have a hearing tomorrow morning at 9 a.m. here in this room to receive testimony from Admiral Hardisty, Commander-in-Chief, Pacific Command, and General Menetrey, who is the Commander of U.S. Forces in Korea. There is a possibility of a part of this being a closed session at the end, but it will be open to begin with.

The hearing is concluded.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JOHN GLENN

PERSONNEL

Senator **GLENN**. As Chairman of the Armed Services Subcommittee on Manpower and Personnel, I would be very interested in your frank assessment of our personnel readiness and quality of life programs. Last year in the fiscal year 1990 Defense Authorization Act we took several steps to strengthen these programs including a 3.6 pay raise, a comprehensive revision of the Aviator Career Incentive Pay programs, reduced premiums for the Survivor Benefit Plan and other measures to ensure improved officer and enlisted retention rates.

Specifically, I would like to get your evaluation of how these programs are working, and your recommendations as to additional priority actions my subcommittee should consider that will strengthen DOD's ability to attract and retain quality personnel.

Admiral **KELSO**. The actions you have identified from the fiscal year 1990 Defense Authorization Act have been helpful in retaining the right numbers and types of people. Retention in the Navy is up by about 2 percent over fiscal year 1989, and the first 2 months statistics on aviator retention in the Navy project a 2 or 3 percent increase over last year. The Air Force expects to maintain their current 36 percent retention rate, which will stabilize the 4 percent decrease of last year. The Air Force hopes that the ACIP and related bonus programs plus other initiatives, such as lengthening the period of required service, will continue to provide a competitive alternative to the airlines' positive hiring climate. The 3.6 percent pay raise sustained the 11 percent pay comparability gap with the civilian sector. In fiscal year 1989, pay was still the number two reason cited by enlisted personnel leaving the Navy and Air Force and the number one reason cited by Marine Corps enlisted members. The fiscal year 1990 pay raise is not expected to contribute to improving retention as much as the bonus and incentive programs have done; it can only serve to minimize the perceived salary gap. It is too early to determine exactly what effect reduced premiums for the Survivor Benefit Plan will have on retention.

With respect to additional priority actions for your consideration, there are two:

—That any cuts in end strength and/or personnel dollars be specifically tied to force reductions. Whatever end strength is authorized must permit adequate manning, in terms of quality and quantity, of the operational forces deemed necessary to meet our national defense policy. This in turn requires sufficient funding in the personnel accounts to pay bonuses to those we need to retain, to promote and transfer people on time, and to provide a decent quality of life for our people.

—Approval of the DOD request to reprogram fiscal year 1990 funds to offset funds in the personnel account appropriated by the Congress but sequestered under Gramm-Rudman-Hollings. Losing personnel funds of this magnitude in mid-year would be devastating to the stability we have built up over the past couple of years. Reenlistment bonuses would need to be terminated, promotions and advancements frozen, a massive program of involuntary early-outs would be required, most planned moves would be deferred for several months, accessions would virtually stop, and officer commissionings would be delayed. The result would be an exodus of experienced people coupled with an inability to train replacements. Personnel readiness would fall; and crossdecking would be the only way some Navy units could operate safely. The psychological effect on our soldiers, sailors, airmen, and marines is hard to calculate; but clearly they would be receiving a strong negative message. Restoration of these funds by approval of the Department's reprogramming request is essential to maintaining force readiness.

DOD FISCAL YEAR 1991 BUDGET

Senator GLENN. The DOD fiscal year 1991 budget proposes to terminate 20 significant conventional weapons programs including, the M-1 tank, Sea Lance ASW program and the F-15E aircraft.

First, do you agree with these terminations? What impact, if any, will the terminations have on your combat readiness?

Second, as the DOD budget was finalized, were your high priority programs included? If not, could you tell the committee what programs were not given a high enough priority/and why/you believe your command needs them?

Admiral KELSO. The terminations proposed by the SecDef reflect recent development or acquisition decisions and the realities of a fiscally constrained budget. Although these programs represented valid improvements to our warfighting capabilities, operational commitments can still be met by employing alternative systems or modifying our concept of operations. In some cases we simply await development of a more capable system in the future.

My highest priority programs, which were submitted to SecDef and CJCS via the Integrated Priority List, are satisfactorily represented in the fiscal year 1991 budget.

SEA LANCE

Senator GLENN. In your statement you address the importance of our ASW capability in the face of the rapidly improving quality of Soviet submarines. However, the fiscal year 1991 budget contains a recommendation to terminate the Sea Lance ASW program.

What impact will cancellation of the Sea Lance program have on your overall ASW capability?

Should the Navy consider increasing the procurement of the VLA (ASROC) ASW System now that Sea Lance has been terminated?

Admiral KELSO. The termination of Sea Lance program represents a potential loss of overall ASW system effectiveness for both surface ships and submarines. The Sea Lance missile would provide a quick-reaction capability to engage high-speed targets and targets outside the range of tube-launched MK-46 and MK-48 weapons. Furthermore, Sea Lance would increase our submarine's ASW effectiveness by providing a rapid reattack capability and at the same time, increase surface ship capability by delivering a weapon at long range. This supersonic missile, carrying the MK-50 torpedo and used with complimenting LAMPS, MPA or an/SQQ-89 ASW detection and targeting capabilities could provide much needed stand-off ASW improvements against a more capable target. The loss of the program forces me to rely on older, less capable and shorter range systems.

The requirement for an ASW standoff weapons for both surface and subsurface units is still valid. The VLA (ASROC) buy using the MK-46 torpedo was to be an interim measure for surface units until Sea Lance was introduced. Increasing the procurement of the VLA (ASROC) using the MK-50 torpedo is an alternative being explored for surface units, but it does not have a submarine launch capability.

MANPOWER AND FORCE STRUCTURE/EUROPEAN FORCE STRUCTURE

Senator GLENN. General Galvin, the proposed reduction in European troop strength implies a substantial restructuring of force structure and defense strategy in Europe.

— In your view, what is our role in future European defense and what should be our military strategy in Europe?

— How would you reduce and restructure our forces to support our future role and strategy in Europe?

— How would the European Command be reorganized to carry out our strategy?

— When do you envision a final beddown of our forces in Europe?

General GALVIN. [Deleted.]

MANPOWER FORCE STRUCTURE/EUROPEAN TROOP STRENGTH

Senator GLENN. General Galvin, the President announced in his State of the Union address that he proposes an additional 50,000 reduction in European troop strength beyond the 30,000 being negotiated under CFE–1, or a net reduction in European troop strength of 80,000.

The fiscal year 1991 Amended Budget proposes a reduction in active military strength of 91,000 over fiscal years 1990 and 1991.

— Will the net reduction in European troop strength of 80,000 proposed by the President be in addition to the 91,000 reduction in active military strength proposed in the fiscal year 1991 Amended Budget?

— How much, if any, of the 91,000 reduction proposed in the fiscal year 1991 Amended Budget will come out of our units in Europe?

— What is your assessment of these reductions on the combat efficiency and morale of our forces?

General GALVIN. There is no direct correlation between the reductions in European troop strength being negotiated in Vienna and the planned end strength reduction in the fiscal year 1991 Amended Budget. If there were no reductions in military end strength, a treaty on troop levels in Europe would result in reassignment of our forces to other worldwide commitments. The 80,000 figure corresponds to movement from Europe, whereas the 91,000 refers to a reduction in U.S. military end strength. During these reductions, one of our main goals is to maintain a quality force. We need to manage the cuts properly, and I think we are headed in the right direction. With a smaller force, we can provide a better quality of life and therefore a high morale among our military families. Morale of our troops has a direct impact on our combat readiness and efficiency of operations.

RESERVE AND NATIONAL GUARD END STRENGTHS

Senator GLENN. General Galvin, in addition to the Active force reduction of 91,000 over the next 2 years, the Reserve forces are being reduced by 19,000 with the bulk of the reduction equally divided between the Army Reserve and the Army National Guard. The base closure package we received also suggests additional, large reductions in Army Reserve and Army National Guard strength and force structure.

— Are you satisfied that the Active and Reserve roles in the Army will be balanced under the realignments suggested?

— What should we do to utilize in the Reserve and National Guard the substantial number of experienced Active personnel who will be released from the Active force over the next few years?

General GALVIN. I do not have the details of the services' evolving plans for restructuring the Reserve and National Guard.

I would anticipate that the experienced military personnel who depart the military in the next few years will compete for the available Reserve and National Guard spaces.

I am aware, however, that the Army will derive its Active component/Reserve component force mix by balancing strategic and operational needs, force quality issues, cost effectiveness, and risk. These criteria are designed to ensure that the resulting force mix supports the national military strategy. The minimum requirements for the Active component is that it be able to meet high activity peacetime missions, fulfill non-mobilized contingency requirements, and accomplish assigned objectives until the Reserve component forces can be a factor.

CIVILIAN PERSONNEL END STRENGTHS

Senator GLENN. General Galvin, in addition to the Active Reserve strength reductions in the budget, civilian personnel strength is being reduced by 21,000 over the next 2 years. Of this number, 16,000 will be reduced in fiscal year 1990 through a civilian hiring freeze.

— What effect will the DOD hiring freeze have on civilian personnel strength in Europe?

General **Galvin**. Projected vacancies in activities in the USEUCOM theater which are precluded from fill due to the hiring freeze are as follows:

Army	20,000
Air Force	2,000
Navy	1,000
Total	23,000

It must be noted that these numbers are estimates only, and are subject to a number of factors which cannot properly be evaluated at this time. The projections are based on historic turnover rates and planned losses due to civilian and military overseas tour completions. Unanticipated extension of tours would reduce these numbers, as would the announcement by OSD of further categories of exemptions from the hiring freeze.

TERMINATION OF M1A2 TANK PROGRAM

Senator **Glenn**. In your statement you address the importance of our armor/anti-armor programs. For the past several years the Army has been telling this committee that the primary weapons system for improving the Army's armor/anti-armor capability is the M-1 tank.

Now, as you know, the Army is proposing to terminate M-1 production after fiscal year 1991. As the Combatant Commander who has the greatest requirement for the M-1 tank, do you believe it is premature to terminate production of the M-1 tank—especially since we don't have a proven replacement?

General **Galvin**.[Deleted.]

COMBAT CAPABILITY

Senator **Glenn**. The DOD fiscal year 1991 budget proposes to terminate 20 significant conventional weapons programs including the M-1 tank, Sea Lance ASW program, and the F-15E aircraft.

— First, do you agree with these terminations? What impact, if any, will the terminations have on your combat readiness?

— Second, as the DOD budget was finalized, were your high priority programs included? If not, could you tell the committee what programs were not given a high enough priority and why you believe your command needs them?

General **Galvin**. The program terminations in the President's fiscal year 1991 budget represent a balanced approach to the pressures to reduce the DOD budget and the evolving political and military situation in Europe. From my perspective, the budget emphasis on people, readiness, technological superiority, alliance structures, and strategic lift is on the mark. The reasons for individual program terminations vary, but the residual capabilities, when combined with the R&D program included in the budget, are sufficient to allow me to accomplish my mission.

My high priority requirements were treated fairly in the President's fiscal year 1991 budget.

MANPOWER PERSONNEL

Senator **Glenn**. I would be very interested in your frank assessment of our personnel readiness and quality of life programs. Last year in the fiscal year 1990 Defense Authorization Act we took several steps to strengthen these programs including a 3.6 pay raise, a comprehensive revision of the Aviator Career Incentive Pay programs, reduced premiums for the Survivor Benefit Plan and other measures to ensure improved officer and enlisted retention rates. Specifically, I would like to get your evaluation of how tense programs are working, and your recommendations as to additional priority actions to attract and retain quality personnel.

General **Galvin**. Quality of life issues continue to be of paramount importance to our people. As the size of the services is scaled down, compensation and benefits must advance in order to support the quality level of servicemen and women necessary to meet the challenges of the future. Maintaining a reasonable and consistent basic support structure is a critical key to retaining our quality people. The current budgetary climate, which frequently targets service benefits as potential cost savings, creates an atmosphere of uncertainty for your service personnel making career decisions, and counters retention efforts. Sudden changes in funding levels, short notice force changes, undermine confidence in the stability of a military career. This confidence is hard to restore and is central to our ability to recruit and retain quality personnel. Sacrifices associated with a career in the military service must be weighed when decisions are made which impact compensation and quality of life. With recent announcements of reductions in military strength, many military members feel their job security is threatened.

Individual Programs:

1. In order to attract and retain quality people, pay between military and civilian sectors must be closer to parity and military members must have a sense of job security. With reducing force structure, the quality of an individual necessary to maintain a lean but strong military will be increasingly difficult to attract if disparities remain in the level of pay between service personnel and their non-DOD civilian counterparts. The 3.6 percent pay raise is seen as a step in the right direction, albeit a shorter step than was desired.

2. The requirement for secure, affordable housing is one of the highest quality of life issues in the European Theater. Congress should pursue broadening of Government payment for overseas local economy-to-economy moves when the service member must vacate local economy quarters through no fault of their own. The recent East German refugee housing problem forced some of our members to vacate quarters to make room for West German friends/relatives who were refugees. Provisions for no-fault moves should be included as a reason for reimbursement. The Move-in-Housing Allowance (MIHA) is a benefit in the right direction, but it is too soon to evaluate the impact because implementation does not take effect until September 1990. Continued support for an adequate Overseas Housing Allowance is needed to ensure members, required to live off-installation as a result of insufficient Government housing, do not bear the cost of serving their country.

3. Both pay raise and increase in Aviation Career Incentive Pay (ACIP) should have a positive effect on rated retention, although the specific impact of these two measures cannot be isolated from the many other factors in the retention equation. The best part of both of these measures is that they are not divisive as was the Aviator Continuation Pay (ACP) bonus program. The ACP caused morale problems between the haves and have-nots. The ACIP increase eases some of these problems. Future actions to improve rated retention should be non-financial in nature. The military budget will not support bridging the huge pay gap between military and civilian flying salaries. Financial efforts should be focussed on not allowing the gap to widen.

4. The double Dislocation Allowance payment, incidental to a PCS move, is an excellent way to begin help defray out-of-pocket costs borne by service members.

5. Reinstatement of funded door-to-door student travel is welcome. This is a good example of a program designed to help defray some of the additional costs assumed by a military family stationed overseas.

6. Parity BAS payment to our enlisted members while TDY is also viewed as a positive change.

7. The Survivor Benefit Program (SBP) changes are very favorable. These changes have little effect on quality of life or retention of younger personnel because the impact occurs late in a member's career.

QUESTIONS SUBMITTED BY SENATOR ALAN DIXON

CROTONE

Senator DIXON. You made the point in your opening remarks that MILCON is viewed as part of our continuing commitment to the quality of life of the forces who will remain in Europe. While I understand this rationale, how do you justify the construction of an entirely new air base at Crotone, Italy? In previous testimony, we were told that 50 percent of the hostile forces facing us in the southern region are from non-Soviet nations in the Warsaw Pact. Given recent political developments in these nations, do you still see justification for this expenditure? Do you see our European allies continuing to support this project?

General GALVIN. The construction of the new air base at Crotone is justified for strategic reasons. Cumulative loss of both NATO ground launched cruise missiles (GLCM) under the INF Treaty and the 401st in its strike role could shift the overall strategic balance in the Southern Region. The 401st and Crotone are important symbols of our commitment to the Southern Region and NATO. Although recent developments in non-Soviet Warsaw Pact nations are encouraging, we must be able to defend against the Soviet military capability which will continue to be formidable for the foreseeable future. Our European allies continue to support the Crotone project.

QUESTIONS SUBMITTED BY SENATOR JOHN McCAIN

U.S. CARRIER STRENGTH

Senator McCAIN. Several witnesses before this committee have said they feel our carrier strength can be cut in view of changes in the threat. They have used figures like 11 or 12 carriers. What is your opinion of the impact of such cuts on our needs in the Atlantic, our global needs, and operating tempos?

Admiral KELSO. We have made the same assumptions before and reduced our carrier forces. We had 13 carriers when the Shah of Iran fell and our embassy was taken. The increased commitments of carriers forced us to operate our carriers for very long periods at sea and required a significant decrease in the period between deployments. The consequences were reduced readiness, degraded material condition; and, most importantly, our people departed the service in ever increasing numbers. As much of the world is in political turmoil, it is not unlikely that U.S. naval forces will at some future time be required to react to a similar crisis. Without adequate force structure to meet such commitments, the personnel tempo will increase, and sailors and young officers will again depart the Navy in large numbers. Since we are an all-volunteer force today, this personnel reaction will likely significantly affect recruiting. However, I believe we must size the peacetime force of carriers to fit our best judgment as to forward deployed commitments plus a reasonable surge capability to handle the unexpected. If we wish to maintain the forward deployed carriers as we are now doing and have some surge capability, the level is 14 carriers. We did this during the Persian Gulf crisis and maintained our personnel tempo at 50 percent for carrier forces, which is our peacetime goal. To go to a lower number means a reduction in commitments or increasing personnel tempo.

Since we are a maritime nation with global responsibilities, I believe it is in the best interests of the United States to maintain a forward deployed naval presence as we have historically done. Mahan's theories of the influence of sea power remain valid, and our dependence on the sea for trade and national security has substantially increased since he espoused the theory. I believe our influence will decline should we reduce our global naval presence.

BATTLESHIPS

Senator McCAIN. What is your opinion of the value of our battleships? What has the impact of eliminating two battleships been on your mission capabilities, and on your ability to use SLCMs?

Admiral KELSO. The battleships are superb gunfire support ships, provide an excellent platform for Tomahawk land attack or anti-ship attack and provide an exceptional platform for naval presence. They are particularly useful as a SLCM platform as they carry a substantial number of SLCMs without a reduction in other types of weapons. (With a cruiser or a destroyer, if you load with large numbers of SLCM, you replace other weapons such as standard missiles. This often degrades the primary mission of those ships because reducing the standard missile load for SLCM degrades anti-air warfare capability.) Hence, for the same number of missiles on target, loss of the battleships will require us to use several platforms for the same SLCM missions one battleship can perform. The battleship is also particularly useful in support of amphibious forces.

SSN-21

Senator McCAIN. Could you explain in some detail what your view is regarding the need to begin production of the SSN-21?

Admiral KELSO. The SSN-21 is absolutely essential to counter the modern Soviet attack submarine force. As I said in my statement, the Soviets are incorporating quieting technology in every new and overhauled submarine, which is seriously degrading our detection capability. They are continuing to build high technology attack submarines at a rate nearly twice that projected for our SSN-21 attack class. Failure to maintain our submarine lead over the Soviets would greatly jeopardize our deterrent posture vis-a-vis the Soviets. Should the Soviets gain a technological lead in submarine performance, it could significantly affect their perception of their military capability. For instance, they could reach quite different conclusions on their ability to interdict the sea lines of communication or the security of our strategic submarines. I do not believe we can sustain the small advantage we have now without going forward with a new submarine.

SEALIFT

Senator McCain. To what extent can improved sealift provide the redeployment capability we will need after CFE? To what extent does improved sealift have a higher contingency priority than funding the C–17, assuming currently projected budget constraints?

Admiral Kelso. It is premature to address the proper strategic mobility mix of forward based forces, prepositioned material afloat and ashore, airlift and sealift until the final results of CFE and the disposition of forces to be withdrawn from Europe are clear. Sealift will continue to play a major role in supporting reinforcement of Allied Command Europe. Possible increased warning times from potentially diminished Soviet and Warsaw Pact readiness may impact the sealift contribution to SACEUR's deterrent posture. Today, only POMCUS and airlift meet immediate response requirements, while sealift provides nearly all reinforcement and sustainment capability.

There is no contingency trade off between improving sealift and funding the C–17. Strategic mobility must be balanced. Airlift and sealift are complementary, and together with prepositioned material (afloat and ashore), in partnership with our allies, provide the ability to project forces overseas in defense of our vital interests. The C–17 replaces the aging C–141 fleet (the last C–141 was delivered in 1969) while improving our capability to ensure timely arrival of critical forces and equipment reinforcement. Historically both airlift and sealift are needed to support and sustain major reinforcement and resupply. It must be noted that airlift is absolutely vital for short notice contingency response by CONUS-based forces. The various components of our strategic lift capability, including CRAF, American merchant marine and the MARAD Ready Reserve Force are equally essential to our force projection capability.

NAVAL ARMS CONTROL

Senator McCain. What is your view of the current options for naval arms control?

Admiral Kelso. We should continue to refuse to negotiate any reductions or restrictions on naval forces that would endanger the "lifeblood of our Nation" by either compromising the principle of free use of the high seas during peacetime or jeopardizing our ability to keep the sea lines of communication open in any future conflict. Asking us to reduce our naval ability is analogous to us asking the Soviets to tear up the rail heads and bridges leading out of western Russia. International law guarantees freedom of the open seas; and, unlike sovereign land boundaries, the international oceans are in themselves open to all forms of observation and communication. Additionally, there are numerous fora to reduce tensions and build confidence when operating/exercising naval forces. Among these are existing NATO annual exercise calendar notification, national exercise notification, agreements to prevent incidents at sea, agreement to prevent dangerous military activities, notices to airmen and mariners (NOTAMs), international communications requirements on all ships, NATO exercise press releases (usually occurring approximately 10 days before the exercise), and the Nuclear Risk Reduction Center. With all of these measures, sufficient transparency already exists in the naval arena. We should not let enthusiasm have never had an exercise for it. On the contrary, we have watched all their exercises, and they have been exercises on the maps which go to the Rhine or go to the Channel. And the way that they place logistics and orn naval arms control. We will be forced to reduce our naval forces in a tit-for-tat manner with the Soviets, which will leave us with an ineffective Navy incapable of projecting our interest as our foreign policy has historically required. As a result, U.S. influence will wane; and military and political stability will decline in many areas.

NATO AND WARSAW PACT NAVAL STRENGTH

Senator McCain. Could you provide a detailed break out of the trends in NATO and Warsaw Pact naval strength between 1980, 1985, and 1989? What are the major risks imposed by the improvements in Warsaw Pact forces in each category? How have these affected the balance of naval capabilities?

Admiral Kelso. [Deleted.]

Note: NATO figures include French naval forces.

The greatest improvement in the Warsaw Pact forces is not reflected in their numbers, but in the quality of their ships and submarines. Improvements include:

—The VSTOL carrier force double; a conventional carrier, the Tblisi, will soon join the fleet; and three Kirov nuclear powered cruisers became operational. These ships give the Soviets, for the first time, a limited power projection force.

—There was a significant reduction in the overall noise signature of Soviet new-construction nuclear powered submarines reducing the acoustic advantage of western submarines.

—Though the number of Soviet ballistic missile submarines has decreased, the total number of SLBM warheads has increased due to the production of Delta IVs and Typhoons, which carry MIRVed warhead SLBMs, instead of the single warhead SLBM's carried on the older SSBN's being replaced.

NATO still holds an advantage, but the Warsaw Pact navies, specifically the Soviet navy, have made moderate gains. The Soviets comprise the bulk of Warsaw Pact naval power with the other nations using older Soviet equipment (ships, electronics, weapon systems), although the Soviets have begun to export the newer KILO class submarine. By contrast, each NATO nation provides a valuable input into the total NATO force especially in the areas of diesel submarines, minesweepers, and ASW ships.

ALLIED NAVIES

Senator McCain. Could you discuss the trends in allied navies, and provide a list for the record of cuts in allied naval strength, naval manpower, and real spending on naval forces since 1980? Since 1987?

Admiral Kelso. The trend in allied naval strength is mixed. For the foreseeable future, I expect there will be a net reduction in SACLANT maritime assets in large part driven by reductions in the U.S. Navy. At present our NATO allies, during the first 30 days of conflict, are committed to providing SACLANT with approximately 47 of the surface combatants, 27 percent of the nuclear attack submarines, 30 percent of maritime patrol aircraft, all of the diesel-powered submarines and the only ASW carriers. European nations provide virtually all of the mine countermeasures ships and nearly one-half of the reinforcement and resupply shipping. Below are specific allied ship and submarine numbers for the periods requested. I do not have access to information regarding specific budgetary or personnel information.

SUMMARY OF NON - U.S. NATO NAVAL COMBATANTS
(EXCLUDES AMPHIBIOUS SHIPS)

	SURFACE			SUBMARINE		
	1980	1987	1989	1980	1987	1989
BELGIUM	4	4	4	-	-	-
CANADA	23	23	20	3	3	3
DENMARK	9	10	10	6	4	7
FRANCE	51	47	44	29	24	24
GERMANY	17	16	15	24	24	24
GREECE	16	20	18	11	10	10
ITALY	23	32	34	10	10	10
NETHERLANDS	18	16	16	6	5	5
NORWAY	5	5	5	15	11	11
PORTUGAL	17	17	14	3	3	3
SPAIN	0	27	24	0	8	8
TURKEY	14	20	21	15	16	15
UNITED KINGDOM	71	52	51	34	33	29

ALLIED CAPABILITIES

Senator McCain. What are the trends in allied out of area capabilities? To what extent is the West becoming more dependent on U.S. naval power projection capabilities?

Admiral Kelso. For the same reasons that we do, our allies base their naval efforts on their NATO and national commitments. The NATO allies continue to support their NATO commitments in the North Atlantic, Baltic and Mediterranean Seas. Also, French and Italian naval forces continue to operate in the eastern Mediterranean Sea, with French forces conducting periodic exercises with Egyptian, Tunisian and Algerian navies. Italian naval authorities continue to press for construction of a second Garibaldi carrier and the French nuclear carrier program is progressing toward eventual construction of two units to replace the two present carriers.

Allied commitments outside of the NATO AOR are varied. The naval forces of the United Kingdom, France and the Netherlands continue to maintain a presence in the Caribbean and are increasingly involved in drug interdiction operations in their particular spheres of influence, although still on a small scale. In addition, the French have embarked upon a program of enlarging the naval facilities in French Guiana and continue to operate off West Africa periodically. [Deleted.] The United Kingdom continues to deploy frigates to the South Atlantic.

The European allies demonstrated considerable resolve in response to the Iran/Iraq war, and deployed a formidable force of naval vessels to the Persian Gulf/Indian Ocean. With the current cease fire agreement in effect, Belgian and Dutch vessels have returned home. British and French presence in the Indian Ocean has been drawn down from their previously high wartime levels, consisting primarily of a few frigates and supply vessels. Naval units of both countries periodically conduct freedom of navigation exercises within the Persian Gulf and deploy to the coasts of Africa and India.

France, Netherlands and the United Kingdom continue to deploy frigates to the Pacific, with the French maintaining the largest naval presence of between three to four combatants. The presence of the French nuclear test site, unrest in French Polynesia, and the refugee problem in British Hong Kong make it unlikely that either country will reduce its commitment in this area.

The European allies have shown their capability to deploy and support modest sized forces far from home and will probably continue to maintain a capability to the degree they perceive necessary. But clearly, many of our allies perceive that they have less of a global commitment than the United States and their out of area presence reflects that perception. Therefore, U.S. naval forces will continue to be required throughout the world in order to ensure stability is maintained during these dynamic times. We must be able to respond to regional contingencies anywhere in the world with adequate forces to protect our interests and maintain a backup surge capability for support as required.

EUROPEAN ALLIES OUT OF AREA DEPLOYMENT STATUS

CARIBBEAN

United Kingdom	- Frigate on patrol 6 out of 12 months - 2-3 small patrol boats/customs boats - 1 small survey vessel
France	- Frigate on patrol 6 out of 12 months - 2-3 small patrol boats - 1 small landing craft
Netherlands	- Frigate on patrol 3 out of 12 months - 1-2 small patrol boats

WEST AFRICA

United Kingdom	- Frigate/Destroyer will conduct West Africa (WAFR) cruise in transit to Falklands patrol every other year and sometimes annually
France	- Frigate will conduct WAFR cruise on an annual basis

SOUTH ATLANTIC

United Kingdom	- Frigate deployed on a continuous rotating basis - 1 repair ship - 1 supply auxiliary as required

INDIAN OCEAN/PERSIAN GULF

United Kingdom	- 3 Frigates/Destroyers deployed on a continuous rotating basis - 1 fleet oiler
France	- 4 Frigates deployed on a continuous rotating basis - 1 Replenishment Oiler (Flag ship) - 1 Landing Ship, Medium (LSM) - 2-3 small patrol boats - 1 repair ship as required

PACIFIC

United Kingdom	- 1 Antarctic patrol ship - 3 small patrol boats in Hong Kong - Aperiodic Frigate patrols
France	- 3-4 Frigates permanently stationed in French Polynesia - 1 repair ship - 2-3 small patrol boats

CURRENT WORLD CRUISE ACTIVITY

United Kingdom	- Invincible battle group conducting West Indies deployment - 3 Frigates conducting world training cruise
France	- Jeanne D' ARC conducting world training cruise

[DELETED]

MARITIME FORWARD DEFENSE

Senator McCAIN. You provide a brief discussion of a strategy of maritime forward defense. Could you amplify this discussion in as much detail as is possible in an unclassified document, and indicate what changes in the Soviet and Warsaw Pact threat would allow you to place less emphasis on a forward strategy?

Admiral KELSO. The strategy of forward defense is a NATO strategy and has been the NATO strategy since 1968. For many members of the Alliance, this is the only credible strategy, as any other would result in the conflict being fought on their sovereign territory. This strategy was very similar to U.S. strategy as articulated by Adm. Forrest Sherman when he was Chief of Naval Operations in the fifties. During the period of formulation of these strategies, they were classified and not publicized. The NATO strategy is defensive and declares that NATO will not give up its territory, will deploy forces during tension to the location where they will best deter conflict, and if deterrence fails, will be in the best place to stop the conflict and retain the territorial integrity of the Alliance. Any chance of success for this strategy on NATO's Northern Flank dictates deployment of naval forces to the vicinity of Norway. What became controversial during the eighties, when the maritime strategy was articulated publicly, was the perception that the aim of the strategy was to strike the Kola Peninsula. Particularly in NATO circles, this was seen as a change to a more aggressive strategy. It is here, I believe, strategy and tactics became mixed. The strategy is to hold NATO territory. In doing so, assuming a conflict, the tactics clearly dictate protection of our forces, which certainly could be threatened by Soviet forces from the Kola. One tactic to stop Soviet destruction of our forces is to attack Soviet capability at its bases. If militarily feasible and if conflict is upon a naval commander, I do not believe it would be prudent to give the Soviets sanctuary in the Kola.

I have always had trouble envisioning anything but a coalition conflict with the Soviets. Hence, a pure U.S./Soviet strategy in the Atlantic is difficult to imagine. NATO document MC 14/3 remains NATO strategy. I believe NATO will always have a forward defense strategy as it is a prerequisite for members whose border is on the Alliance boundary with a potential adversary. For the United States, the geography tends to draw us to a forward defense strategy. It requires fewer forces and places the area of conflict far from our shores.

I believe as long as there is a conventional threat to NATO, either real or perceived from Europe's predominant land power, the Alliance will continue to espouse a forward strategy. Otherwise one agrees to relinquishing some member nation's territory. From a U.S. perspective, unless we can project force forward early in the conflict, the scenario tends to repeat the two world wars of this century. To prevent this has been the essence of the strategy. It remains valid so long as there is a threat. I would need to see a considerably smaller Soviet Army than the Soviet Union has traditionally maintained before I would not perceive the possibility of a threat. Relocation of the Army further east may tactically permit more time to execute a forward strategy; and reducing the size of that Army may permit reducing the size of NATO's forces; but I doubt this will change the reasons behind a forward strategy.

PRIORITY LIST

Senator McCAIN. What is your integrated priority list for improvements in U.S. forces for your command? What elements on this list are funded? What elements are not funded and how does this lack of funding increase your risks?

Admiral KELSO. My Integrated Priority List submitted to SecDef and CJCS is an internal DOD working document that was referenced during development of the Fiscal Year 1990-94 Program Objective Memoranda, the fiscal year 1990/91 budget, the amended fiscal year 1990/91 budget and, most recently, the revised fiscal year 1991 budget.

In general, the following key USCINCLANT priorities were appropriately addressed during development of the fiscal year 1991 budget.

—People and Quality of Life
—Readiness of our Forces (OPTEMPO/maintenance/training)
—Adequate force levels to meet commitments/strategy
—ASW improvements
—Sustainability in a prolonged war
—C3I, Surveillance and Reconnaissance
—Counternarcotics Operations
—Strategic Lift

Priority modernization concerns:

—SSN-21
—DDG-51
—AMRAAM
—MK-50 Torpedo/MK-48 ADCAP
—MILSTAR
—TRIDENT
—A-12
—C-17

Given funding constraints and realistic development and acquisition schedules, many programs are only partially funded in the fiscal year 1991 budget. In addition, it was necessary to cancel several programs due to affordability and/or development/acquisition decisions (e.g., ASPJ/Maverick/SEA LANCE/F-15E). Although these programs represented valid improvements to our warfighting capabilities, operational commitments can still be met by employing alternative systems or modifying our concept of operations. In some cases, we simply await development of a more capable system in the future.

PERSTEMPO AND SHORTFALLS IN MATERIAL READINESS

Senator McCain. You refer to a number of significant cuts in PERSTEMPOs and shortfalls in material readiness. Could you provide a detailed list of these cuts and shortfalls, showing the size of the reduction and shortfall?

Admiral Kelso. PERSTEMPO has not been cut. As a matter of fact, we've adjusted peacetime commitments and operational activities to ensure that our people are meeting established PERSTEMPO goals. [Deleted.]

A detailed list of all cuts and shortfalls can be best provided by the service headquarters.

JOINT MILITARY NET ASSESSMENT SCENARIO

Senator McCain. Could you describe the contribution CINCLANT made to defining the scenario used as the basis for this years Joint Military Net Assessment? Do you feel that the scenario used in the JMNA is an accurate representation of the threat you would confront in Europe?

Admiral Kelso. My staff had an opportunity to comment on a series of illustrative planning scenarios during the fall of 1989. However, events in eastern Europe were changing so rapidly that I understand these scenarios were modified in favor of greater realism. In fact, this period of rapidly changing events was prevalent throughout the development period of the 1990 JMNA. In terms of the threat which U.S. forces would face in Europe, I defer to General Galvin. Nevertheless, due to continued expansion of Soviet naval capability, the threat, as described in the JMNA, that our naval forces would face in the Atlantic Ocean and Norwegian Sea appears to be about right.

SUSTAINABILITY

Senator McCain. Sustainability problems, particularly ammunition deficiencies, have long been referred to as potential war stoppers. Do you feel that the potential impact of sustainability problems is adequately addressed in this years JMNA? Are sustainability problems considered in the wargame scenarios used to evaluate your ability to mount a successful defense of Europe?

Admiral Kelso. The JMNA reports [deleted]. While the sustainability posture for forces assigned to USCINCLANT varies in some areas from those assigned to USEUCOM, I believe the potential impact of these problems is adequately addressed in the JMNA.

These sustainability problems are considered in the wargame scenarios used to evaluate this command's ability to support a successful defense of Europe.

REDUCTION OF ARMY FORCES STATIONED IN EUROPE

Senator McCain. Secretary Cheney has testified that the United States would like to maintain one Corps and its logistic elements in Europe as the minimum to support NATO's current strategy of forward defense. How will CINCLANT have to change its operational plans to conduct forward defense with only one, instead of two, Corps deployed in Europe?

Admiral Kelso. Current USCINCLANT operational plans are designed to support SLOC protection and reinforcement operations to Europe. Any changes to SACEUR's plans resulting from a reduction in Army forces permanently stationed in Europe could reasonably be expected to place a greater emphasis on strategic lift. In turn, this could cause an added burden on our limited resources to provide for the delivery of reinforcement/resupply shipping. Nevertheless, forward defense will remain the essence of our SLOC protection strategy. As long as the reduction in forces does not affect the ability to defend Northern Flank bases, our plans are adequate to accommodate an Army force structure realignment.

IMPACT OF SOVIET ALLIES

Senator McCain. What type of operation could the Soviets conduct with the forces currently available in the Western Theater of Military Operations if their allies declined to provide combat forces or logistic support? How would CINCLANT change its operational plans to react to this event?

Admiral Kelso. Historically, the non-Soviet Warsaw pact (NSWP) allies have played a major role in Soviet plans for any offensive against NATO. NSWP armies enabled the Soviets to reduce warning time by significantly diminishing the need for moving reinforcements from the U.S.S.R. to constitute a first echelon of attacking forces. This in turn permitted the Soviets to mobilize, move and train second and third echelon reinforcements to push an offensive forward. The Soviets have also depended on their Warsaw Pact allies to ensure the defense of their logistical support to the front to provide significant logistical support from their own resources.

Therefore, the failure of the Warsaw Pact allies to participate in a Soviet offensive or to cooperate with Soviet logistical support efforts would have a significant impact on Soviet plans for offensive operations in Central Europe. Without NSWP armies, the necessary correlation of forces to attain historical Soviet objectives in the theater, such as the channel ports, will require mobilization and reinforcement from the western U.S.S.R. on a large scale. While this means that our own warning time will likely increase, it does not preclude an earlier Soviet attack for more limited objectives. It also means that both NATO and U.S.S.R. are likely to place an increasing emphasis on the ability to mobilize and move forces to the front and, in the case of NATO, it is likely to increase the need to defend the Atlantic Sea Lines of Communication from the very beginning of hostilities.

CONTINGENCY AMPHIBIOUS LIFT REQUIREMENTS

Senator McCain. Looking at the regional war requirements, if there was a regional situation that developed in another part of the world, say the Pacific, what would the impact be on your ability to fulfill your contingency amphibious lift requirements? If you could not carry out your mission, what would the amphibious lift shortfall be?

Admiral Kelso. Depending on the scope and magnitude of a regional conflict, JCS-directed transfer of assets between theaters could occur, thus possibly creating a lift shortfall against a potential simultaneous requirement within the Atlantic AOR. The extent of the shortfall would depend upon the respective requirements. Even with today's force level, we may not be able to meet two simultaneous regional crises with adequate amphibious forces. As with other areas of our naval capability, amphibious reductions will lessen our ability to react rapidly to regional instability.

AMPHIBIOUS LIFT CAPABILITY

Senator McCain. Is there currently adequate amphibious lift capability dedicated to your command to execute contingency amphibious lift requirements? If not, what is the shortfall?

Admiral Kelso. Contingency plans are built around existing assets and capabilities. Currently, the amphibious lift capability of the ships assigned to the Atlantic Fleet is sufficient to meet our contingencies . . . provided we do not lose assets to another theater in the event of simultaneous regional conflict.

While our plans will continue to be constrained by fiscal realities for the foreseeable future, the amphibious lift assets dedicated to my command which are augmented by MPS and airlift are adequate to execute our contingency requirements.

AMMUNITION WAR FIGHTING STOCK LEVELS

Senator McCain. What are our ammunition warfighting stock levels? What are the programmed buys and what impact will they have in bringing the levels up to requirements?

Admiral Kelso. The following ammunition war fighting stock levels are expressed as a percent of the requirement to support the first 90 days of wartime operations in this AOR under our most stringent OPLAN tasking. [Deleted.] Projections beyond fiscal year 1990 funding can be best provided by service headquarters.

ALLIED FORCE REDUCTIONS

Senator McCain. Could you describe in depth the risks you see in member country force reductions that attempt to cash in on the peace dividend before we reach formal agreement on a CFE Treaty?

Could you discuss your major concerns with allied force reductions by country, and indicate the extent to which our allies are likely to make major force reductions that are independent of a CFE Treaty?

General Galvin. [Deleted.]

Belgium: [Deleted.]
Canada: [Deleted.]
Denmark: [Deleted.]
Germany: [Deleted.]
Greece: [Deleted.]
Italy: [Deleted.]
Luxembourg: [Deleted.]
The Netherlands: [Deleted.]
Norway: [Deleted.]
Portugal: [Deleted.]
Spain: [Deleted.]
Turkey: [Deleted.]
United Kingdom: [Deleted.]
United States: [Deleted.]

RISKS OF CURRENT CFE PROPOSALS

Senator McCain. What risks do you see in our current CFE proposals?

General Galvin. I support the current proposals because they make sense. The correct way ahead is to lower the level of confrontation by lowering the level of military forces forward deployed, and, at the same time, reducing the possibility for a sustained attack. The NATO CFE proposal, including equipment and personnel limits, stabilizing measures and verification regime support this effort and thereby reduce the risks we have known in the past. There are, however, potential risks associated with the drawdown period. The ratio of Warsaw Pact to NATO reductions which will be required by a CFE agreement is approximately 16 to 1. Based on sheer numbers, it will take the East much longer to reduce than the West. We must implement reductions on both sides in an orderly, step-by-step manner so that stability and security are maintained throughout.

REMAINING DIFFERENCES—NATO/WP CFE PROPOSALS

Senator McCain. What are the remaining differences between the NATO and Warsaw Pact proposals?

General Galvin. The remaining differences between the two proposals have narrowed in the past several weeks. The two Alliances now agree upon the parity levels for main battle tanks, attack helicopters, and U.S. and Soviet personnel stationed outside national territory. There is also agreement on the definition of the field artillery pieces, although on the artillery parity level, there is still divergence.

Other differences include:

a. Definitions for tanks, armored combat vehicles (ACV), combat aircraft and attack helicopters.

b. Parity levels for ACV and combat aircraft.

c. Details for monitoring compliance with a treaty.

We have to ensure that any arms control agreement permits residual forces which are not only capable of securing important national and Alliance interests, but are also flexible enough to accommodate future political and military changes.

RISKS OF ACCEPTING WARSAW PACT PROPOSALS

Senator McCain. What additional risks would we incur in each area of difference if we accepted the Warsaw Pact proposal?

General Galvin. There are two Warsaw Pact (WP) proposals which are significantly different from NATO proposals: arms control for naval forces and exclusion of "interceptor" aircraft. Other differences are relatively minor and, I believe, will be resolved through the negotiations process in Vienna.

The East has consistently called for some form of naval arms control, either through the development of new Confidence and Security-Building Measures (CSBM) constraining naval activities, or actual naval arms reductions. I believe that development of naval arms control in either form is inappropriate for several reasons: the key threat to European stability is posed by land forces, the primary mission of NATO naval forces is to defend the sea lines of communication between Europe and North America, and NATO naval forces have global missions.

The Eastern proposal of a separate unit for "interceptors" in the negotiations is also an obstacle to CFE progress. The Pact wants to exclude approximately 1,200 very capable combat aircraft, mostly Soviet, from reductions but NATO is willing to allow each alliance to exclude only 500 interceptors. These aircraft can be used to support a ground campaign in Europe.

EASTERN EUROPEAN MILITARY FORCE CHANGES

Senator McCain. You refer in your testimony to the changes taking place in Soviet Forces. You do not, however, refer to the changes taking place in East European forces or the overall trend in NAT0 versus Warsaw Pact forces. Could you discuss the situation in each East European country?

General Galvin. Significant changes in Non-Soviet Warsaw Pact (NSWP) military forces have occurred since January 1989. Many of these are the result of the momentous political upheavals sweeping Eastern Europe, as well as in response to the desperate economic conditions in which these countries find themselves. Following Gorbachev's unilateral reduction announcements, all NSWP countries except Romania announced cuts of their own, mainly to realize economic savings. These cuts, along with reorganization initiatives, slowed modernization, and personnel turbulence brought on by political and economic decisions have had a major impact on NSWP military capabilities.

East Germany

East German officials have said over a quarter of military personnel have been effectively demobilized by reassignment to the civilian economy. These reassignments were made to fill key civilian positions left vacant as East Germans left in droves for the West. Delegation of some 50,000 soldiers to civilian sectors such as transport and health has put a heavy strain on remaining troops, who are now effectively reduced to housekeeping duties. Force-wide, manning may have fallen to approximately 65 percent. Conscription service has been reduced from 18 to 12 months and will reduce levels of training even further.

[Deleted.] The overriding potential effects of Germany unification are still being examined.

Czechoslovakia

In Czechoslovakia, major force cuts have also been announced. We can confirm deactivation activity in ground and air forces, and can account for a small number of destroyed aircraft and tanks, [deleted]. The readiness of residual forces has been affected by early release of about 30,000 conscripts and reductions in the term of conscript service from 24 to 18 months. The army has announced a 50 percent reduction in divisional and regimental tactical exercises and a 25-30 percent reduction in live-firing exercises, with a significant reduction in reservists to be called up for exercises in 1990.

[Deleted.] The Czechoslovakian Government has successfully negotiated with the U.S.S.R. for the complete withdrawal of all Soviet troops by the end of June 1991, and these withdrawals are under way.

Poland

The largest force reductions in the NSWP were announced in Poland. Two mechanized infantry divisions were reportedly disbanded in 1988, while two more were disbanded in 1989. Two armor divisions are to be reduced to cadre status by 1991. A large number of independent battalions and regiments (including troops, tanks, artillery and aircraft) have also been scheduled for reduction. All residual Polish divisions are to be reorganized.

[Deleted.] The number of reservists called up each year has also been scheduled to be reduced. Political unrest and military reduction activity continues to affect morale in the Polish Army, much the same as in other Eastern European countries.

Official calls for pullout of Soviet troops from Poland have been more muted than in Czechoslovakia and Hungary, probably due to concern over German reunification.

Hungary

Hungary began its force reductions in August. [Deleted.] Hungarians stated their military is to be reduced by approximately 30,000 personnel, plus tanks, artillery, and a few aircraft and short-range missile launchers. [Deleted.] In order to save money and aid the civilian sector, additional troops have been diverted to civilian construction projects, and a new system of alternative national service has been implemented in which young men can serve in critical civilian jobs, such as in hospitals. Length of conscripted service is also being reduced from 18 to 12 months. Personnel and monetary cuts have reportedly already resulted in significant reductions in readiness, [deleted] and additional defense budget reductions are projected. The Hungarian Government has proposed a 50 kilometer wide zone of confidence along the Austrian and Yugoslav borders free of offensive weapons [deleted]. The resultant force dispositions will help prepare Hungary for possible establishment of military neutrality. The government has recently negotiated the withdrawal of all Soviet forces from Hungary by June 1991, and the first elements began to depart this month.

Bulgaria

The Bulgarian Government also announced plans for unilateral reductions, but despite official claims there has been very little evidence of ongoing force reduction or restructuring activity in the Bulgarian armed forces. The Bulgarian military did acquire new weapons in the forms of MiG–29 and SA–10's last year, but otherwise force modernization remained slow. Procurement of the new systems was reportedly financed by monetary grants from the U.S.S.R. Bulgarian morale and readiness has not been as affected by political unrest as in other countries. The communist party did recently announce it will disband its organizations within the Army, which has caused great concern among political officers, but is evidently not impacting on Army capabilities. The Bulgarian People's Army is probably the most reliable NSWP force within the Warsaw Pact alliance.

Romania

Until Ceausescu's overthrow, the Romanian military was relatively unaffected by changes sweeping Europe. Romania, although a member of the Warsaw Pact, demonstrated little desire to participate actively within the alliance. In fact, the Romanian military was used more as a civil works organization, helping with agricultural and construction activity, than as a defensive/offensive force. The Securitate had the primary "defensive" mission for the regime. This misuse of the armed forces resulted in poorly trained and equipped units which could not be counted on to "do their share as military members of the Warsaw Pact." Nevertheless, Ceausescu did not announce unilateral force cuts, as did the rest of the NSWP. The military's participation in the overthrow of Ceausescu was uninspiring, but absolutely necessary and ultimately effective. Since that time, the prestige of the military has risen [deleted]. There have been no announcements relating to future reductions or restructuring, although some are ultimately expected [deleted].

MINIMUM FORCE STRUCTURE

Senator McCain. Could you discuss in detail the minimum U.S. force strength you feel will be necessary to support NATO after a CFE Treaty? The size and nature of the forces in Europe? In CONUS?

General Galvin. For the foreseeable future, U.S. forces in Europe should be composed of a robust Army corps composed of about two divisions, with helicopter, artillery and engineer support, and two cavalry regiments for reconnaissance. The corps should also have sufficient command and control to facilitate elements for logistics support and maintaining prepositioned war reserves and POMCUS. The Air Force should be balanced with strong air defense capability, enough long-range dual capable aircraft to execute the theater nuclear mission, and sufficient multi-purpose airplanes for air interdiction and close air support roles. I believe the agreement reached in Ottawa to limit U.S. and Soviet stationed forces in Central Europe to 195,000 each, with an additional entitlement of 30,000 stationed forces outside the Central Zone for the United States ensures an adequate military capability in the post-CFE timeframe.

The size and nature of forces in CONUS are not in my purview, of course, but I do have some thoughts. Because the international situation is constantly changing, U.S. forces, including the Navy, must continue to be capable of responding around the world, rapidly, with a mix of light and heavy forces. In the present environment, the need for strategic lift capability to transport these forces remains a high priority.

BURDENSHARING

Senator McCAIN. What are the latest trends in allied offset and burdensharing efforts to reduce the cost of deploying U.S. forces?

General GALVIN. NATO's Defense Planning Committee—the permanent representatives of the sixteen nations—published their latest *Progress Report on Enhancing Alliance Collective Security Through Sharing Roles, Risks and Responsibilities* in November 1989. In it, the allies document continuing efforts to address offset and burdensharing issues as follows:

(1) Rationalization and the division of labor. A proposal to gradually shift or exchange capabilities to eliminate certain duplications of effort.

(2) Reserve and mobilization potential. A proposal to explore the potential of the reserve mobilization base to enhance security in view of CFE. This will remain important since manpower costs and trends will likely lead to greater dependence on Reserve forces.

(3) Common and joint funding. An effort to use resources more effectively. This may be achieved by harmonizing the various aspects of the arms control verification process; improving Alliance military training, including the use of more simulation; completion of key logistics infrastructure; and better use of civil resources for defense purposes. The use of infrastructure funds to relocate the 401st Tactical Fighter Wing is an example of the Alliance's efforts to share the burden of U.S. forces in Europe.

ALTERNATIVES TO FORWARD DEFENSE STRATEGY

Senator McCAIN. A great deal of discussion is now taking place about the need to find alternatives to forward defense. What alternatives do you feel would exist, assuming the level of force reductions in the NATO-U.S. CFE proposal?

General GALVIN. I believe the basic tenets of MC 14/3 forward defense and flexible response are enduring and will remain central in any future Alliance strategy. It is possible that NATO's political leaders will now find it appropriate to revise MC 14/3. However, I would expect this to be an evolutionary step, aimed at adapting our strategy to changes in Soviet and Warsaw Pact capabilities. Forward defense was never intended to create a rigid interlocking line of defense, and is not tied to a particular level of active forces committed to NATO in peacetime. The size, composition, readiness, and location of our forces in peacetime is directly related to the nature of our adversaries. As the threat diminishes in the Central Region, a smaller force will be able to deter or defend under the forward defense concept. Of course there will be changes at the operational and tactical levels in how we execute a post-CFE forward defense. Our residual force must be more mobile, and more capable in firepower, C3I and air defense. Modern, state-of-the-art systems such as JSTARS, ATACMS, and RPV/UAV will be essential to these future operational concepts. With this capability, we will be able to successfully counter a penetration until mobilization and reinforcement can establish a more robust defense.

POST CFE NATO FORCE PRIORITIES

Senator McCAIN. What are your highest priorities in preserving NATO forces after a CFE reduction, and in funding continuing force improvements?

General GALVIN. My highest priorities in preserving NATO forces after a CFE reduction include:

a. Optimizing the combat capability of the residual force so that it can deter war as it has done for the past 40 years.

b. Ensuring that, if deterrence fails, the force is capable of executing the NATO strategy of forward defense and flexible response.

c. Balancing CFE reductions between geographical regions and between air and ground missions and ensuring that we reduce efficiently to minimize future facility costs and follow-on intratheater moves while protecting our modernization efforts, our ability to train, and our reinforcement capability.

The nature and size of the U.S. contribution to the forward deployed force are important. It must be capable of deterrence and sustained combat operations, and must be prepared to receive reinforcements from the United States.

FOFA COST SHARING WITH NATO

Senator McCAIN. To what extent do you believe that NATO can, or should, fund FOFA and the advanced weapons systems necessary to support the air land battle? What are your highest priorities in these areas?

General GALVIN. Our ability to interdict forces will improve with the employment of enhanced technology systems. As the threat in Europe hangs, our reliance on FOFA-capable systems does not decrease. Deterrence during peace and success on the highly mobile battlefield will rely on continuing the development and fielding of the family of FOFA supporting systems. We must have reliable and timely intelligence data on which to base our operational level decisions, the ability to transmit that data, the ability to target missions in support of the commander's objectives and finally, the ability to hit those targets. In support of those requirements, areas where NATO funding could support FOFA are interoperable intelligence and communications systems; reconnaissance, surveillance and target acquisition systems (RSTA); and standoff weapons. Various national and international agencies are now working on specific issues dealing with role specialization, the extent of data sharing and combined weapons programs.

ALTERNATIVES TO FOLLOW-ON TO LANCE DEPLOYMENT IN THE FRG

Senator McCAIN. What alternatives do we have to deploying a follow-on to Lance (FOTL) in the FRG? What are the risks you feel are inherent in such alternatives?

General GALVIN. My preference remains that NATO forward deploy Follow-on to Lance. NATO is not expected to make a deployment decision until 1992. The alternative to forward deployment of FOTL is unattractive. Weapons could be retained in the United States for deployment in time of crisis, however, this is risky for at least two reasons. First, it would reduce NATO nuclear burden sharing, which I believe has been a major aspect of Alliance cohesion in the past 40 years. NATO allies have long recognized that nuclear burden sharing is a requisite element of NATO deterrent policy. Nuclear burden sharing provides a crucial link between NATO conventional forces and U.S./U.K. strategic nuclear forces. Second, there is added risk that a delayed decision to deploy FOTL or its possible interdiction during wartime transit could deprive FOTL availability to NATO. This simply translates into a reduced deterrent posture for NATO.

TRENDS OF NUCLEAR WEAPONS IN EUROPE

Senator McCAIN. We hear a great deal about the problems NATO has in deploying a Follow-on to Lance (FOTL), but very little about the overall trends in the tactical nuclear weapons deployed in Europe. Could you discuss the trends in nuclear capable delivery systems since 1980, and during the last 2 years? Could you provide an unclassified estimate of these trends and the resulting changes in delivery system numbers, ranges, and accuracy.

General GALVIN. While specific information on warhead yields, system accuracies, and delivery system quantities is classified, it is true that in 1979, there were about 7,000 nuclear weapons deployed in NATO. With the deployment of longer range systems such as Pershing II (PII) and the Ground Launched Cruise Missile (GLCM) and the retirement of older, less effective systems such as the Honest John and Nike Hercules missiles, NATO assets were reduced to below the 4,600 weapon ceiling established by the NATO Nuclear Planning Group at Montebello, Canada in 1983. In the past 2 years, NATO has continued the retirement of older systems and commenced removal of PII and GLCM in accordance with the Intermediate Range Nuclear Forces (INF) Treaty. We have also initiated partial modernization with emphasis on improved accuracy and increased range which is in consonance with NATO ministers' guidance. These actions have resulted in a European stockpile of about one-half of our 1979 level. With continued nuclear modernization in a Post-CFE Europe, further significant reductions are possible.

ALLIED FORCE REDUCTIONS

Senator McCAIN. We hear a great deal about structural or unilateral force reductions in NATO. Please provide a detailed break out for each allied country listing all reductions in combat and support units, and manpower and equipment strength for each year during 1987, 1988, and 1989. Please provide your estimate of the probable reductions in each country in fiscal year 1991.

General GALVIN. [Deleted.]

Belgium: [Deleted.]
Canada: [Deleted.]
Denmark: [Deleted.]
Germany: [Deleted.]
Greece: [Deleted.]
Italy: [Deleted.]
Luxembourg:[Deleted.]
Netherlands: [Deleted.]
Norway: [Deleted.]
Portugal: [Deleted.]
Spain: [Deleted.]
Turkey: [Deleted.]
United Kingdom: [Deleted.]
United States: [Deleted.]

CFE ZONAL NATO/WARSAW PACT—TREATY LIMITED EQUIPMENT COMPARISON

Senator MCCAIN. The NATO data base on NATO and Warsaw Pact forces is now badly out of date, never included figures for Reserve equipment, and never included the information necessary to provide comparisons by proposed zone in the CFE Treaty. Please provide a detailed unclassified quantitative comparison of your estimate of the NATO and Warsaw Pact balance in late 1989 or early 1990 in each category covered in the CFE negotiations for the ATTU area and in each proposed zone or sub region. Please indicate the change in force strength since the end of 1988. Where data must be classified, please provide an explanation of the reason for such classification and provide the classified number.

General GALVIN. DIA is currently working to provide Warsaw Pact numbers in the format and with the content you've requested, albeit at the classified level. They have primary responsibility within the intelligence community to track detailed order-of-battle information, and are working toward a March/April deadline to provide the most current update for Warsaw Pact CFE TLE by zone. As you know, capturing numbers like this is a moving target, as Pact forces continue their various programs of unilateral reductions, force reorganization and restructuring. Also, CFE TLE definitions are still being refined, further complicating efforts to "categorize" some equipment. I'm sure you can appreciate the difficulty in this task and can understand the need for coordination on this requirement. This can best be accomplished by using DIA-provided numbers. Ultimate classification determination of these numbers is a matter under the purview of the originator—DIA.

SOVIET READINESS CHANGES

Senator MCCAIN. Recent press reports indicate that major differences exist in the key areas shaping the warning estimates in agreed NATO intelligence and U.S. intelligence. If these press reports are accurate, the United States feels that Soviet forces in the western U.S.S.R. are less ready, that there are major shortfalls in the readiness of Soviet and East European support and logistic forces, that sustainability is lower, etc. Could you comment in detail on whether such differences do or do not exist, and on the extent there have been changes in our estimates in these areas?

General GALVIN. Yes, there have been changes in U.S. warning estimates, and warning times have increased significantly from those set forth in the mid-1980's. These changes are a direct consequence of Soviet assessments of improved NATO military capabilities, a better understanding of the Soviet process of transition to war, and changes in Soviet peacetime readiness. Two significant changes affecting an increased estimate of warning time involved factoring in the time for Soviet units to train after mobilization to optimize their readiness before commitment to combat, and incorporating new assessments of Soviet logistics units' peacetime readiness (much lower peacetime manning levels, with many necessary support units formed only after mobilization).

[Deleted.] Ongoing Soviet and non-Soviet Warsaw Pact (NSWP) unilateral reductions should further extend preparation time because of the greater need for reinforcement by currently low-strength divisions from the western U.S.S.R. Additionally, if parity is achieved under the provisions of a CFE agreement, the Soviets would need to reestablish major forces in order to generate enough conventional forces. We also believe overall Warsaw Pact capabilities are suffering as a consequence of the current rapid pace of Pact internal change. Reorganization and restructuring of Soviet, East German, Polish, and Czechoslovak forces, concurrent with continuing unilateral reductions is significantly reducing current Warsaw Pact military readiness. In addition, with the exception of Bulgaria and Romania, all NSWP countries have recently instituted decreases in their military conscription periods of required service. Finally, the Soviets and several NSWP countries have announced cutbacks in training as a result of budgetary and political considerations. This too, will lower the readiness of the units affected. These are just a few examples of evidence we assess as contributing to overall decreased readiness of Warsaw Pact forces that could impact on the time necessary to prepare for war.

DEFENSE EXPENDITURES

Senator McCAIN. Please provide your estimate of the trends in real defense expenditure in each allied country between 1989 and 1990.

General GALVIN. [Deleted.]

NET ASSESSMENT

Senator McCAIN. Please describe your net assessment activities over the last 2 years in detail. What further improvement do you expect to make in such activities?

General GALVIN. Over the past 2 years, USEUCOM has actively participated in the fiscal year 1987-88 Global Family OPLAN Assessment Report (GFOAR), the 1989 and 1990 Joint Military Net Assessments (JMNAs) and the initial Chairman's Net Assessment for Strategic Planning (CNASP). Our theater OPLANs and preparedness assessment reports provided the basis for the fiscal year 1987-88 GFOAR, and we were afforded opportunities to review and comment on the Report during the drafting process. USEUCOM's involvement in the JMNA was to review and comment on both the 1989 (initial) and 1990 versions, with many of our recommendations being incorporated. During development of the initial CNASP, our participation included both direct participation in the war game analysis, and review and comment on the report. The January 1990 revision of the Joint Strategic Planning System will significantly enhance our theater participation in the three net assessments cited above.

INTEGRATED PRIORITY LIST

Senator McCAIN. General Galvin, please provide your integrated priority list. What items on this list are currently funded? What items are not funded and what is the resulting risk associated with each item?

General GALVIN. With few exceptions, my top priorities have been funded. USCINCEUR priorities include:

—People programs
    —Theater Health Care
    —Housing
    —MWR
    —Work Facilities
—Nuclear Modernization
    —F-15E, A-12
    —SRAM-T
—Training and Readiness
    —Combat Maneuver Training Complex
    —Warrior Preparation Center
—401st Relocation
—Strategic Lift
    —C-17
    —Sealift Enhancements
    —POMCUS
—Joint Precision Interdiction Programs
    —JSTARS
    —ATACMS
    —Joint Tactical Fusion
    —Cruise Missile Support Activity
—ASW
—Air Defense
—Preferred Munitions

10-IN-10 REINFORCEMENT

Senator **McCain**. We have previously heard testimony that we cannot approach the goal of providing NATO with 10 divisions in 10 days, that we have massive readiness problems in providing the necessary support and logistic forces, that we have shortfalls in prepositioning, that we have shortfalls in sustainability, and that we have major problems in air and sea lift. Please provide a detailed estimate of our real world ability to deploy 10 divisions and our currently committed air reinforcements to NATO, and a detailed list of the shortfall and problems in providing these forces with the necessary fully ready support, sustainability, and lift.

General **Galvin**. Currently, 4 of the 10 divisions are forward deployed in Europe. [Deleted.] Currently, there are 29 tactical fighter squadrons (TFS or equivalents) in Europe.

[Deleted.] Airlift carries high priority cargo essential for delivery within the first 10 days to complement prepositioning programs. Sealift carries bulk and oversize cargo necessary in 10-15 days.

AMMUNITION STOCK LEVELS

Senator **McCain**. What are our ammunition warfighting stock levels? What are the programmed buys and what impact will they have in bringing the levels up to requirements?

General **Galvin**. [Deleted.]

TERMINATION OF AH-64 PROGRAM

Senator **McCain**. What will the shortfall in anti-armor capability of your command be if the AH-64 program is terminated at current programmed levels? What is the impact of this in terms of warfighting capability? What is programmed to fill the anti-tank threat gap created?

General **Galvin**. Termination of the AH-64 production line will have a major impact on USAREUR's ability to engage in a long term, high intensity engagement. In terms of warfighting capability, USAREUR would be placed in an untenable position due to lack of timely replacement anti-armor aircraft. Currently, there is nothing programmed to fill that anti-armor threat gap until fielding of the LHX in fiscal year 1997.

LHX IN CURRENT LAND WAR SCENARIO

Senator **McCain**. Please discuss the requirement for the LHX in your current land war scenario. How critical is the capability of the LHX to prosecution of war for your command?

General **Galvin**. Requirement for LHX in current land war scenario is to replace and improve the warfighting capabilities of the AH-64. The LHX is scheduled to begin replacing the AH-64 during fiscal year 1997 and will not be critical unless production of the AH-64 is terminated.

Questions Submitted by Senator Slade Gorton

ARTILLERY FIRED ATOMIC PROJECTILES (AFAP)

Senator **Gorton**. On page 9 of your testimony, you state that it is "therefore imperative that we continue to modernize our own theater nuclear weapons," and you specifically mention the Follow-on to Lance and dual-capable aircraft armed with SRAM-T. Why no mention of Artillery Fired Atomic Projectiles (nuclear artillery)? Have we dropped this component of our modernization effort?

General **Galvin**. [Deleted.]

NATO NUCLEAR STRATEGY AND FORCE STRUCTURE

Senator **Gorton**. The NATO Nuclear Planning Group was tasked last spring to examine NATO nuclear strategy and nuclear force structure in the context of possible NATO/Warsaw Pact conventional Force reductions. What is the status of this study?

General **Galvin**. Ministers were asked to invite the High Level Group (HLG), in conjunction with NATO military authorities, to examine the implications of an agreement on Conventional Forces in Europe (CFE), based on Western proposals, for the roles, mission, and desired characteristics of Alliance nuclear forces. The HLG divided the task into six papers:

1. "Current Roles of NATO's Nuclear Forces" drafted by the Netherlands.
2. "Change in Warsaw Pact Military Capabilities Following a CFE Agreement" drafted by SHAPE.
3. "Potential Effects of a CFE Agreement on NATO's Nuclear Capabilities" drafted by the International Military Staff in NATO.
4. "Roles and missions of NATO's Nuclear Forces Post-CFE" drafted by the UK with the FRG.
5. "Desired Characteristics of NATO's Nuclear Forces Post-CFE" drafted by the UK with the FRG.
6. "NATO's Public Rationale for Retaining Nuclear Forces in a Post CFE World" drafted by FRG with Italy.

Papers 1 through 3 were discussed and accepted at the December 1989 HLG meeting. Papers 4 and 5 are scheduled to be presented at the March 1990 HLG meeting. The essence of the HLT's final report to the NPG will be contained in papers 4 and 5. While I have not had an opportunity to review either paper 4 or 5, I understand that they support continued presence of nuclear forces in Europe but probably at a reduced level. An interim report may be presented the Ministers at the May 1990 NPG meeting in Canada.

QUESTIONS SUBMITTED BY SENATOR TRENT LOTT

SOVIET MILITARY NAVAL THREAT

Senator LOTT. In your statement you clearly articulate the Soviet military naval threat is increasing—not decreasing. The Soviets continue to develop and deploy advanced submarines. They are also rapidly increasing their carrier capability.

It does not sound to me like you are describing a Soviet military power that is reducing. The platforms you describe are components capable of significant force projection. Quoting from your statement, we may be facing "a more impressive Soviet wartime capability than we face today."

How wise would it be for the United States to reduce the number of carriers it currently operates, given the continued rate of Soviet naval development and deployment?

Admiral KELSO. [Deleted.]

IMPORTANCE OF SEALIFT

Senator LOTT. General, you listed sealift as one of the most important theater requirements you have. Your testimony is that 95 percent of your reinforcements must travel by sea. You also suggest that we need to invest in the ships to get those reinforcements to Europe on time. I am not sure we are making that investment. We have heard testimony from numerous people over the last 3 weeks and almost without exception each of them has stressed the importance of sealift, yet the Navy does not appear interested in making this important investment.

If sealift is so critical, and I do believe it is, why are we not investing in sealift? This does not make much sense does it?

General GALVIN. Senator Lott, I strongly support initiatives to improve our sealift capability. Among these are research and development efforts for advancing our maritime technology and the Maritime Administration reform package.

[Whereupon, at 11:43 a.m., the committee adjourned, subject to the call of the Chair.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

THURSDAY, FEBRUARY 8, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS OF THE COMMANDS ORIENTED TO PACIFIC DEFENSE

The committee met, pursuant to notice, at 9:04 a.m., in room SH-216, Hart Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Dixon, Wirth, Warner, Thurmond, Cohen, McCain, Gorton, Lott, and Coats.

Committee staff members present: Richard D. DeBobes, counsel; and Daniel G. Sakura, research assistant.

Professional staff members present: Robert E. Bayer, Robert G. Bell, Richard E. Combs, Jr., Richard D. Finn, Jr., John J. Hamre, William E. Hoehn, Jr., David S. Lyles, and Frederick F.Y. Pang.

Minority staff members present: Romie L. Brownlee, deputy staff director for the minority; Brian D. Dailey, Judith A. Freedman, Ronald P. Kelly, George W. Lauffer, Durwood W. Ringo, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Lori M. Jackson, Mary J. Kampo, Melissa A. Ramsey, Debra A. Rice, and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; Charles C. Smith, assistant to Senator Dixon; Phillip P. Upschulte, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Jefferson B. Seabright, assistant to Senator Wirth; Terrence M. Lynch, assistant to Senator Shelby; James M. Bodner, assistant to Senator Cohen; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

The Armed Services Committee meets today to continue to receive testimony from our combatant commanders in the field.

Yesterday the committee held a hearing on the defense of the NATO alliance with General Galvin and Admiral Kelso, the Commanders in Chief of the U.S. European and Atlantic Commands. This morning we will focus on U.S. security interests in the Pacific. We are delighted this morning to have Adm. Huntington Hardisty, the Commander in Chief of the U.S. Pacific Command.

Admiral, we are glad to have you.

We also have Gen. Louis Menetrey, the Commander of U.S. Forces, Korea.

We are delighted to have both of you. Both of the witnesses we have this morning testified before the Armed Services Committee last year, and we appreciate their taking the time to join us again.

The committee has already held several hearings this year on the implications of the remarkable changes in the Soviet Union and in Eastern Europe for Western security. Our hearing this morning will continue to explore the extent to which the threat is changing based on our past national security policy, our military strategy and our defense budget.

Most of the previous testimony on this issue is focused on Europe. Today we will have an opportunity to examine the nature of the Soviet threat in the Pacific where, of course, we have extremely important security as well as economic interests.

In our request to Admiral Hardisty and General Menetrey to testify, Senator Warner and I also asked them to address other important subjects of longstanding interest to the committee and, in particular, military strategy in their area of responsibility, their critical operational deficiencies, and their implementation of the Goldwater-Nichols Department of Defense Reorganization Act.

The full menu of testimony which I have outlined is proof of the demanding and very broad responsibilities that these commanders must execute on behalf of our Nation. This committee has historically relied upon them heavily for their insights from the field, so we look forward to the testimony we will receive from both of you here today.

Senator Cohen, do you have any opening remarks this morning?

Senator Cohen. No, just to welcome Admiral Hardisty here under more pleasant circumstances than under which we first met. Admiral Hardisty and his wife, Sally, were in Maine for the dedication of the U.S.S. *Monterey*, and the weather was so cold and the wind so strong it had to be delayed. I think that was the Admiral's first introduction to Maine weather and to those circumstances.

Chairman Nunn. Was that July or August? [Laughter.]

Senator Cohen. Actually it was October, as I recall, or November; but since BIW produces such excellent ships it is even more outstanding that they do so under weather conditions such as that. Welcome.

Chairman Nunn. Thank you, Senator Cohen.

Admiral, why not lead off, and then we will go to General Menetrey.

STATEMENT OF ADM. HUNTINGTON HARDISTY, USN, COMMANDER IN CHIEF, U.S. PACIFIC COMMAND

Admiral **Hardisty**. All right, sir. If I may, just a few opening remarks.

It has been 1 year since my last appearance before this committee, Mr. Chairman, a year marked by historic change. From the global perspective, the changes have been very positive as nation after nation have thrown off the yolk of communism and dictatorship to experience the exhilaration of freedom and democracy.

This change is a direct result of a long-range multilateral strategy of deterrence and containment adopted by the United States more than four decades ago. The success of this strategy is a credit to the vision of our leaders, the steadfast support of Congress and the resolve of the American people, our friends and our allies.

While we have seen dramatic change both in Eastern Europe and the Soviet Union, that change is not reflected in all regions of the world. For example, in the Pacific in 1989 we saw democratic trends reversed in China, democratic government attacked in the Philippines, a dangerous and unpredictable regime still in power in North Korea, continued fighting and misery in Cambodia, increased drug trafficking and refugee problems in Southeast Asia, and increased—not decreased—Soviet capabilities in the Pacific.

Meanwhile, the economic balance of the world continued shifting toward the Pacific. Our Nation's economic future is evermore intertwined with the money markets and resources of Asia and the Pacific. Sources of regional friction are increasing, and sophisticated weapons are becoming widely available to Third World nations, terrorists and insurgents. In short, global threats are diminishing while the focus of our security concerns shifts to regional issues.

At this time of upheaval, our pulse remains the United States national military objectives and the deeply held values which produce our strong commitment to freedom, security and democracy as well as the advancement of freedom, democracy, free market economies and respect for human rights worldwide. These national objectives must continue to drive our strategy in times of dynamic change.

Based on things that have changed and have not changed in the past year, I have reviewed and revised the Pacific Command's strategic focus to account for changes in the threat, regional trends, budgetary realities and our enduring long-term interests. Some adjustments to our focus and structure can and should be made. I have recommended such adjustments which will be reflected in upcoming reports to Congress.

After careful review I have concluded that our present economy of force strategy employing lean forward deployed forces in the Pacific is fundamentally sound. It provides us unique access and influence in the fastest developing region of the world. It maintains an effective deterrent against miscalculation and adventurism by other nations in the region while supporting our allies and the advance of democracy. It provides the basic underpinning of stability required for economic growth and the access to resources and markets essential to our economic security. In the vast area of the Pacific and Indian Oceans, it provides us with the flexibility and capability required to respond rapidly and decisively in crisis.

The United States must remain a Pacific power. Our economic and political futures are closely linked to the other nations of that region. As I look forward into the 21st century, I see that the basis for that linkage is a security relationship sustained by our military forces in the Pacific Command. We must ensure that any adjustments we make are carefully considered and fully coordinated. We must not repeat past mistakes which sent the wrong signals to friends and allies. Most importantly, any changes we make must support regional stability so that the savings we seek are not paid for by future generations.

For the first time in decades, we see more opportunities in the world than threats. We must seize those opportunities to shape the future, but the upheaval of this age may not be over. Tomorrow's challenges will require that we maintain regional balance and security in the Pacific as we evolve to a multipolar world. U.S. military forces will play a key role in achieving that balance and security.

I am here today with General Menetrey to answer questions and to enlist your support for a forward-looking strategy focused on regional security and the advancement of U.S. interests in the Pacific.

Thank you, Mr. Chairman.

[The prepared statement of Admiral Hardisty follows:]

PREPARED STATEMENT BY ADM. HUNTINGTON HARDISTY, USN, COMMANDER IN CHIEF, U.S. PACIFIC COMMAND

Mr. CHAIRMAN: It is a pleasure to be here today to talk about the Pacific Command. You and the distinguished members of your committee have repeatedly shown interest in preserving America's vital security interests in Asia and the Pacific. As a nation, we have reason for pride in our success in this region: employing only about 16 percent of the active U.S. military strength, we have helped maintain regional stability for over 40 years in an area that encompasses half the globe. We have accomplished this through forward deployment, force readiness, and visible support for our allies and friends. With your help, I believe we can continue that achievement.

Much has changed globally since last year. We are more hopeful of a world free from the oppression of the old Communist regimes and a world moving to reject criminal exploitation by drug cartels and dictators.

In the Asia/Pacific region, the U.S. strategy of containment and the deterrence measures associated with that strategy have been successful and we are shifting our focus for the future from bipolar (U.S.-U.S.S.R.) to multipolar and regional considerations. With the exception of Europe, all the regional powers emerging in the multipolar world will be in or border on the U.S. Pacific Command (U.S., Japan, U.S.S.R., China, India). The region is in a transition period with change as the dominant factor. Therefore, our focus is changing to best serve U.S. interests as we move forward into the next century.

We have three broad regional objectives for the future. First, we wish to maintain an overall environment of stability and regional balance in which democracies can flourish and economies can grow. This is best served by presence, positive involvement, security assistance, and by building trust and confidence. Second, where necessary, we will be prepared to provide more support in countries such as the Philippines where instability exists. Finally, we will maintain a deterrent posture where circumstances warrant; the Korean peninsula is the prime example. These objectives will best support U.S. political, economic, and security interests and will carry us through the 1990s and into the next century.

To attain these objectives we must have forces that are combat ready. These forces need to be configured for rapid reaction, mobility, and positioned such that they can react across this vast theater in a timely manner to any crisis or threats to U.S. interests or citizens.

In addition to this focus on regional stability and balance, we also must keep our global war plans and capabilities up to date. The capability of Soviet forces, even in this uncertain period of promising developments inside the Soviet Union, demands that we do so.

Our Pacific strategy must deal with the realities of the region—diversity, change, increasing U.S. interests, and the need to maintain the confidence of our allies.

Asia and the Pacific are continuing a period of explosive growth. Old values and alliances are changing, and the balance of political, military, and economic power is changing as well. In the past, we were the dominant partner in the alliance network that worked to maintain peace and stability in the Pacific. But now, some of our allies are our most vigorous economic competitors. Political developments across the region have nurtured new levels of nationalism that we must understand and appreciate as we work with old friends. Newly independent nations in the South Pacific watch us closely as they search for their own national identity and direction. We must operate carefully in this changing international environment, ensuring that we do not confuse our friends or undermine the alliance structures that have proven so successful in the past.

I will amplify the importance of Asia and the Pacific to future U.S. national interests, the threats to peace and stability that we face in the 1990s, and our approach for confronting those threats. I will sketch the critical roles played by our friends and allies in our strategy, and conclude with a brief analysis of the forces and key programs that we must have to accomplish our challenging mission.

IMPORTANCE OF THE PACIFIC

Throughout decades of change the United States has provided a stable, firm presence for freedom and security throughout the Pacific region. It is unquestionably in our interests to continue to do so as we look forward to the 21st century.

We have entered the century of the Pacific 10 years earlier than we might have imagined. America's economic and political well-being are inextricably linked to the nations of the Pacific rim. The U.S. and Japan together account for 40 percent of the gross world product. U.S. trade with Asia and the Pacific has exceeded our trade with Europe for the past 17 years, and is greater now than our combined trade with our North and South American neighbors as well. The Asian gross national product equals that of Europe and is growing at an average rate 3 percent faster than that of Europe. There can be no economic revitalization for the United States independent of Asia.

Almost two-thirds of the world's population lives in this vital area now, and the number is growing. Democracy is advancing in general, but its final success is by no means assured.

Our national security interests directly reflect our regional economic and political ties. Militarily, the nations that maintain 7 of the world's 10 largest armies are within Asia and the Pacific region, and five of our Nation's seven mutual defense treaties are with Pacific nations; we have additional formal security obligations to the Republic of the Marshall Islands and to the Federated States of Micronesia. The United States is and must continue to be a great maritime trading nation. The geography of both the Pacific and the Indian Oceans makes the area strategically important not just to the United States but to all the world's major economic powers.

Successful U.S. policy has nurtured positive, unprecedented change. We must now be ready to deal with this success.

THE THREAT

We applaud the recent easing of tensions in Europe and hope that this trend will continue until it embraces Asia and the Pacific. We are greatly encouraged by General Secretary Gorbachev's initiatives, by the exchange of visits between U.S. and Soviet military leaders, and by the vigor of ongoing strategic and conventional arms control talks. In my judgment, global war with the Soviet Union is less likely today.

We continue to work toward constructive engagement with the Soviets in the Pacific. As a step in this direction we hope to see U.S.-Soviet reciprocal port visits this year. In the future I look forward to hosting the Soviet far east theater commander in Honolulu and visiting his command in return. But progress toward peace in the Pacific has not completely paralleled that in Europe, and very real threats to regional stability still exist.

In Korea, our assessment of the potential threat from the north is unchanged. U.S. and allied forces in Korea stand together to face a strong adversary across a troubled border; but unlike the situation in Europe, no mutual force reduction talks are being conducted in Korea and warning time remains very short.

Allied Pacific nations continue to face internal and external enemies whose activities are often unaffected by changes in the Soviet Union. Insurgencies, terrorism, and drug trafficking trouble this region just as they trouble the world.

Regional threats have changed somewhat, but they have not gone away. We must remind ourselves that unlike Eastern Europe where Communist regimes are being replaced by democratic reforms in Asia, repressive regimes and dictators have slammed the door on reforms.

Finally, the quantity and quality of Soviet military forces in theater remains formidable. This is not to say there has not been change—there has been retirement of equipment, redeployment of some ground forces, and altered patterns of reconnaissance and operational activities. However, improved replacement equipment is being fielded and strong forces still remain in locations from which they can threaten our vital interests in northeast Asia. Soviet power projection capabilities have qualitatively improved, and their modernization of strategic systems continues. Although their intentions appear to have changed, the Soviets retain significant warfighting capability in the Pacific region.

U.S. GOAL AND OBJECTIVES IN THE PACIFIC

Our overall goal is to provide a security umbrella for Asia and the Pacific under which U.S. national interests can be attained, democracies can flourish, free trade and commerce can prosper, and basic human rights can be preserved. To achieve this goal we seek access and influence in peacetime; we prepare to deter aggression in time of crisis; and, if U.S. interests, citizens, or allies are attacked or threatened, we are ready to respond promptly and decisively.

We envision a multipolar future world containing six major power centers. Five of those power centers border the Pacific command:

The United States: The major world player and only acceptable balancer in the region, but facing increasing pressures to reduce its presence due to economic competition and budgetary deficits.

The Soviet Union: Facing an uncertain future with great internal tensions brought on by reforms and growing nationalistic and economic expectations of its people; with an external policy focused on attempts to "tap-in" to the Pacific and European economies.

Japan: A producer state with prosperity highly dependent on continued access to resources and markets. The world's banker, maintaining significant influence over many of the world's industrial nations, but with an aging population and growing social pressures.

India: The only regional power in the Indian Ocean in the absence of a balancing power.

And China: A regional power also. Modernizing economically, but slowly. Convulsed with a generational leadership change and internal political pressures. Nevertheless, pragmatic, independent, and beholden to no one.

As the world changes, the threats change to our regional goal. Accordingly, we have relooked our regional strategy for the future. In the Pacific, our past strategy of containment was based on a bipolar, global scenario. Such a worst-case condition cannot be completely discounted so long as the Soviet Union retains its current capabilities and its internal reforms set in motion are not completed. However, the most probable threats to peace in Asia and the Pacific now lie in other directions.

Multipolar, regional threats now require an increased emphasis on maintaining regional stability and balance. While there is no "NATO-like" multilateral defense structure in the Pacific to help us to achieve these objectives, we have successfully built a network of bilateral relationships by tailoring our approach to each of our partners.

Credible U.S. presence in potential trouble spots is one of the strongest stabilizing forces we can offer. The perception of quick response to calls for assistance from our friends and allies can stop threats from escalating. Fortunately, the structure and positioning of U.S. forces in Asia and the Pacific that have been so important to the successful strategy of containment in the past also lend themselves ideally to protecting U.S. interests and citizens by maintaining regional stability. Most of our forces in the Pacific are light and highly mobile. They are easily tailored in size and composition to meet whatever threat arises. We have the necessary plans and forces in theater to provide flexible responses ranging from a show of force to sustained joint combat operations.

In 1989 we stood up our counternarcotics effort, which I have established as the command's number one peacetime priority. We have made progress in our detection, surveillance, and monitoring missions through the activation of Joint Task Force Five and expect to make even greater strides as the task force's fusion center comes on line this spring. We have provided valuable reconnaissance assistance to DEA in their marijuana eradication efforts in Hawaii, and stand ready to support the U.S. Atlantic Command, the U.S. Southern Command, and the U.S. Forces Command in counternarcotics missions.

ROLE OF OUR REGIONAL FRIENDS AND ALLIES

Pacific regional security is a team effort, and we have in place an alliance network that has served as the ultimate guarantor of security for four decades. But to continue to succeed, any partnership requires frequent assessment of mutual needs and concerns. The following is an assessment of some of the most topical concerns in theater:

JAPAN

The U.S. security relationship with Japan is the linchpin of our Pacific strategy. The Japanese are well on their way toward a self-defense force capable of meeting their commitment to defend the sea lanes out to 1,000 miles. Airborne early warning, high performance interceptors, seaborne air defense, and anti-submarine platforms are the prerequisites, and all are being accommodated and upgraded in Japanese defense plans and programs. It is not in the interests of the United States, the Japanese people, or the stability of Asia for Japan to develop power projection capabilities. Such developments would foster arms races and instability throughout the region. Current developments in the Japanese self defense force therefore support its defensive mission under the Japanese constitution and are consistent with a mutually beneficial U.S.-Japanese security relationship.

However, even after achieving their self-defense goals the Japanese will be outnumbered in their own back yard by more powerful elements of the Soviet far east military forces. They will need the continued help of U.S. forward deployed forces to achieve the mutual security objectives of both countries and the region.

Although our military relations are excellent, there are sensitivities. As I reported last year, on Okinawa there is limited real estate for expansion of the economy and therefore sensitivity to the presence of U.S. forces, the land we occupy, and the space in which we train. Japanese leaders realize the importance of U.S. forward deployed forces in the critical northeast Asia region and support our presence, however, and we are working with them to make consolidations wherever possible and to resolve outstanding issues.

The Japanese have done much in the area of burdensharing but I believe they can and should do more to help improve stability around the Pacific rim. We have been working closely with OSD to develop innovative costsharing improvements for the maintenance and support of U.S. forces, as well as to increase Japanese contributions to assist economic development, support peacekeeping, and combat drug trafficking. Our overall approach must be comprehensive but measured, and must not allow friction in trade or economic relations to undermine a security relationship that is vital to our long-term strategic interests. Maintenance of the close U.S.-Japanese security relationship and a Japanese self-defense force consistent with its constitution is vital to regional peace and stability.

REPUBLIC OF KOREA

The economic strength of Korea and its improved defense posture is an important regional development. The security situation remains uncertain, however, in spite of some encouraging efforts at North-South talks. The threat from the North has not diminished. Nevertheless, we have proposed ways in which the Koreans can assume greater responsibility for their own defense. While U.S. force presence will continue to be required in the 1990s as a proven deterrent to North Korean adventurism, it is time to transition to a more supporting role, reflecting the Republic of Korea's increased capability to provide for its own defense.

While South Korea is already contributing substantially to the cost of maintaining our forces on the peninsula, we have proposed ways for them to increase their contributions. These initiatives include aircraft maintenance, construction, and labor cost sharing.

PHILIPPINES

The Philippines provide us vital staging bases to train and sustain our forces and to protect critical sea lines of communication. We conduct 65 percent of our training in the Western Pacific in the Philippines; excellent training ranges and facilities at crow valley are not available anywhere else in the Pacific and would be extremely difficult to replace. These ranges/facilities also offer opportunities to improve interoperability with our allies. Logistically, Subic Bay gives us a large protected harbor with well developed ship repair, supply, and storage facilities, while Clark Air Force Base has the runways, storage, and material handling capability necessary to handle supply throughout for Indian Ocean operations. There is no single location or combination of locations that can replace what we now have in the Philippines in terms of cost, strategic positioning, and operational efficiency.

I am cautiously optimistic that the government of the Philippines and the U.S. will see it in their mutual best interests for U.S. military presence to continue in the Philippines beyond 1991. I recognize that we will face significant hurdles with the Philippines on issues such as assistance levels, criminal jurisdiction, and unhampered military operations; nevertheless, I believe the negotiations stand a strong chance of success because of the mutual benefit of the RP/U.S. relationship to both countries. The economic benefits for the Philippines and the strategic benefits for the U.S. make this a win/win relationship for both nations. As partners in forward positioning of U.S. forces, we share with the Philippines a major role in promoting regional balance and mutual security that is important to Asia as a whole. The December 1989 coup attempt temporarily diverted the Aquino government's focus from the renegotiation talks, but we already see evidence that they are preparing to enter negotiations.

In the event of failure to reach agreement for continuing access to the Philippine bases, we do have relocation alternatives. Clearly we prefer not to move: Relocation would be more expensive, disruptive to U.S. command and control, take years to complete, and would not provide the same geostrategic advantages we now enjoy. Changes in our presence could raise questions among our friends in the area concerning our intentions and staying power, and could provide a vacuum into which others might try to move. But whether we relocate from the Philippines or not, protection of our interests in the region and fulfillment of our obligations to our friends and allies will remain unchanged.

NORTHEAST ASIA

China continues on a path of economic and military modernization, although at a reduced pace reflecting recent political events. The Chinese are key participants in many Asian equations: Sino-Soviet agreements could reduce border tensions; China is a consideration in any U.S. Asian strategy; tensions with Taiwan appear to be easing; China has demonstrated force projection resolve in advancing its claim in the Spratly Islands; we hope China will play an important role in the cessation of hostilities in Cambodia; and China-India talks are an encouraging sign.

Despite the bloodshed at Tiananmen Square and follow-on U.S. Government sanctions, I believe that China will continue to look to the West for the technology and expertise it needs. As a fundamental feature of our policy in Asia, the U.S. should continue a relationship with China that offers clear benefits for China's return to peaceful development and encourages Chinese leaders to steer a course that supports stability throughout the region.

SOUTHEAST ASIA

The ASEAN nations continue to progress in political and economic cooperation. We have developed strong and viable bilateral friendships with the armed forces of each of these nations. Mutual defense arrangements with Thailand and the Philippines and enhanced security cooperation with Singapore underlie our commitment to stability in the region.

In Vietnam, we have reason to hope that our joint progress on MIA issues will lead to continued improvement of relations between our nations. The Cambodian conflict remains a destabilizing factor in the region. We continue to support the efforts of ASEAN countries and the United Nations in their initiatives to provide a comprehensive solution to that conflict and to restore peace and human rights.

Thailand remains our staunch ally bordering a Communist dominated Indochina. The U.S.-Thai military relationship has continued to grow; we have greatly improved our interoperability with Thai armed forces as exemplified in Cobra Gold, a joint/combined exercise that is now the largest such training effort the U.S. conducts in Southeast Asia. The war reserve stockpile program, which we signed with Thailand in 1987, has been implemented and will enhance the Thai armed forces' capability to sustain combat in defense of Thailand. Under the terms of this program the United States and Thailand will establish a joint stockpile of munitions for use by all services of the two countries. We are also cooperating closely with the Thais in the establishment of a new air defense system, and providing them limited security assistance funding. These activities are tangible evidence of United States commitment and resolve to maintain our important friendship with Thailand. Thailand plays a critical role in any counternarcotics effort in Southeast Asia and our security relationship fosters Thai cooperation in that effort.

INDIAN OCEAN/SOUTH PACIFIC

Our alliance relationship with Australia is very close and will remain a partnership based on shared goals and interests. The Australian Government remains committed to deterrence and arms control through participation in joint facilities and the granting of access to U.S. ships and aircraft. Our bilateral relationship with Australia under the Anzus Treaty remains a cornerstone of stability and peace in the South Pacific and Southeast Asia. I am encouraged by the existing strength of Australian-U.S. relations and its bright outlook for the future.

In implementing our strategy we must continue to focus a significant level of attention on the South Pacific. Disaster relief efforts, civic action projects, and various security assistance programs are serving our mutual interests and providing much-needed training opportunities and secondary benefits to the island countries. We are increasing ship visits throughout the Pacific to maintain U.S. access and influence and to promote U.S. interests in this area. We are concerned over efforts to form a nuclear free zone in the South Pacific and to challenge U.S. nuclear disclosure policies.

Regrettably, the government of New Zealand's ship ban policy caused us to suspend our security obligation to New Zealand under the Anzus Treaty. It's a sad thing to happen between old friends and allies, and the result is diminished security in the South Pacific and elsewhere. We look forward to the day when we can return to trilateral cooperation under the Anzus Treaty, but not at the expense of our "neither confirm nor deny" policy. In the meantime, our regional alliance interests reside in the strong bilateral security relationship between the United States and Australia.

India continues to grow militarily as a major, non-aligned power in the region. India's military buildup in both defensive and offensive systems, mostly of Soviet origin, is impressive. While the Soviets continue as their major arms supplier, India is a democratic country with vital interests in a successful relationship with the West. There is mutual benefit in more extensive and generally improved military-to-military relations between the United States and India. An improving relationship between India and the United States should not be cause for concern among our other friends in the region. Because the U.S. Government recognizes the potential India holds for being a stabilizing force in the region, we are expanding our defense contacts with India to enhance prospects for mutual cooperation.

WHAT DO WE NEED?

The keys to achieving our goals in Asia and the Pacific are combat ready, properly equipped and properly positioned forces, and a network of healthy bilateral relationships. Particular areas of concern to me are:

(1) Crisis response, force projection, and conflict operations—essential to the success of our defense policies are U.S. conventional forces—high quality men and women who are trained and ready to fight; capable of force projection whenever and wherever required; and supplied and sustained with equipment and weapons that will be able to counter any threat, numerical superiority or advanced weapon systems.

With some adjustments, our current force structure is appropriate for our strategic objectives in Asia and the Pacific independent of force level changes on Europe's central front. But the Pacific is already an economy of force theater; we must be cautious and deliberate in addressing changes in our forward deployed force strength. Small reductions send signals far out of proportion to any real savings.

(2) Force deployment—to enable us to move promptly and decisively and reinforce or resupply as necessary, maritime superiority and strategic lift are critical. We must have the ability to protect our lines of communication from air, surface, and submarine threats under all contingencies, along with the strategic and tactical lift necessary for us to get to the crisis area in a timely manner.

(3) Command, control, communications and intelligence (C^3I)—our defense posture requires C^3I resources adequate to prevent surprise and capable of the timely direction and control of our forces. The capability to assess developing situations early and accurately is basic if we are to provide timely response across half the world's surface, and our readiness is highly dependent upon our ability to monitor and control military response to crisis situations.

(4) Support to allies—a security assistance program with appropriate flexibility and less earmarking provides us enormous dividends in sustained influence and access to our Asian and Pacific allies. Cooperative programs, combined exercises, international military education and training, and humanitarian and civic assistance under Title 10 generate remarkable political-military benefits at low costs. These are extremely cost effective methods of maintaining access and influence. Continued congressional attention to these programs with increased support is necessary.

CONCLUSION

Our strategy of forward deployed forces, bilateral alliances, and military-to-military contacts has worked for many years in the Pacific. Our security posture today is in good shape. We have high quality, well trained, well equipped men and women in our Armed Forces, and strong relationships with our friends and allies.

We recognize the changes in the world, and we have taken the initiative to change our focus for tomorrow in a way that will continue to support our Nation's fundamental interests in the Pacific: peace, prosperity, economic security, democracy, and support for human rights. But perceptions are critical: we must ensure that we make no adjustments in our posture that would weaken the confidence of our friends in the area and draw into question our resolve to remain a power in Asia. Stability is fundamental to our achievement of our goals, and in the Pacific more than in any other region security relationships are a foundation for our political and economic influence.

Economic, political, and military trends all show that a stable and secure Asia and the Pacific will be central to America's future. The U.S. Pacific Command is an economy of force theater, with forces well positioned and configured to maintain regional balance and stability. We achieve tremendous benefits from access and influence for relatively little cost.

Finally, I must compliment the finest force of soldiers, sailors, airmen, and marines that I have seen in my 38 years of military service. The men and women of the U.S. Pacific Command are maintaining impressively high levels of readiness, dedication, and skill. I am proud of them and believe we owe them our full support, especially in the pay incentives and quality of life programs that are so necessary to retain our most valuable resource.

The administration, the Congress, and the American people can be proud of the accomplishments of the men and women who serve in the U.S. Pacific Command. I am convinced that we need to continue our forward basing and must strengthen our bilateral relationships throughout the region to ensure that the resources and markets critical to our economic growth remain available, and so that we can maintain our political and security leadership roles in Asia and the Pacific into the 21st century.

Chairman **NUNN**. Thank you very much, Admiral. General.

STATEMENT OF GEN. LOUIS C. MENETREY, USA, COMMANDER, U.S. FORCES, KOREA

General **MENETREY**. Thank you, Mr. Chairman. Of course, I have a statement that I would like to submit for the record, but I would like to make a few remarks if I could.

Chairman **NUNN**. Fine. Both of your statements will be part of the record.

General **MENETREY**. I would like to second what Admiral Hardisty said. There has been a lot of change in the world, and it is perhaps time to look at the world in a different light. It is also a time to look at regions of the world other than Europe, and I am pleased to be here this morning to help do that.

In terms of global security and continued American prosperity, as Admiral Hardisty said, Northeast Asia particularly, continues to grow in importance. It is an area, as you know, where the interests of the world's four major powers intersect: United States, Soviet Union, China and Japan.

U.S. military objectives in this region include assisting allied and friendly nations to develop politically and economically, free from encroachment, coercion or active military threat. Specifically, the fundamental U.S. military objective in South Korea remains to deter North Korean aggression and, if deterrence fails, to terminate the conflict on grounds favorable to the United States and our allies.

Our ability to achieve our objectives is directly influenced by a number of factors, one of which is obviously the threat posed by North Korea's unremitting hostility. North Korea remains one of those handful of states that can be accurately described as heavily armed, poverty stricken and garrison states. They are without question the most heavily armed per capita country in the world.

Furthermore, we see no evidence of glasnost or perestroika in North Korea, nor do we have any indication that North Korea intends to abandon its well-coordinated national effort to enlarge and modernize its armed forces. In fact, attempts by both the United Nations command and South Korea to promote tension reduction and confidence-building measures on the peninsula have been uniformly rejected or ignored by the north.

These characteristics combined with its first generation revolutionary leadership, rigid ideology and Orwellian control over its citizens make North Korea unpredictable and highly dangerous.

The military balance on the peninsula continues to favor the north. A significant element affecting that balance is Soviet assistance, assistance which has continued in some measure despite the Soviets' newly declared security policies of reasonable sufficiency and so on; or their increased diplomatic and economic ties with South Korea which are ongoing.

Also, North Korea's relations with the People's Republic of China have recently grown closer as each tries to resist the changes that keep sweeping much of the rest of the Communist world.

In spite of all this, we do expect that with sufficient time and the continued modernization of South Korea's armed forces, the military balance will shift slowly in the South's favor; and in fact, I personally believe that in time the North must open up and become one with the rest of the Communist world.

As you know, there is no multinational security arrangement in Northeast Asia as there is in Europe. U.S. bilateral security guarantees such as the U.S.-Korean alliance and forward deployed U.S. forces such as those on the Korean peninsula are the glue which binds the region together, maintains stability and preserves the peace.

U.S. forces in Korea represent the power of the U.S. military instrument and the willingness to use it if necessary. In effect, we have had a peace dividend there for 37 years. Our presence has deterred North Korea for some 37 years and has created the conditions which have allowed the Republic of Korea to emerge as a democracy and an economically advanced nation.

In addition to maintaining the Korean armistice, our forces also comprise the only U.S. combat forces on the Asian mainland and the only army ground combat forces west of Hawaii. Consequently, they are a force available for deployment to potential trouble spots far from the United States.

Our partners in maintaining peace in Korea are, of course, the South Korean armed forces. They are well trained, disciplined and capably led, composed primarily of conscripts. South Korea's commitment to defense remains strong. Over the past two decades the Republic of Korea has increased defense spending on a percentage basis significantly more than the United States or any other of our allies. Their annual defense budget has traditionally averaged about one-third of total government spending.

In its effort to attain military self-sufficiency, the Korean government has devoted about one-third of its defense budget for force improvements and modernization since 1984. Funding for the 1990-1995 force improvement program is expected to be about $24.3 billion, a twofold increase over the funding level for the previous program. In 1990 approximately 85 percent of the military equipment and supplies that South Korea purchases from other countries will come from the United States, amounting to about $1.5 billion.

In terms of sharing the cost of defense, Korea provides more than $2 billion in annual support of U.S. forces. Of that amount, approximately $300 million is direct contributions and $1.2 billion is rent-free land. While indirect contributions do represent a cost avoidance for the United States, we also recognize that the Republic of Korea can and should make substantial increases in direct contributions. We expect to see significantly expanded direct cost-sharing contributions both in scope and amount from ongoing consultations.

In conclusion, the Republic of Korea represents a resounding success for U.S. postwar strategy and policy. Our military presence on the peninsula reinforces that success by maximizing deterrence against the dangerous and unpredictable adversary. Stationing U.S. forces in Korea also represents by far the least costly method of maximizing U.S. influence in the region.

Adjustments to these forces should be evolutionary and strategically sound and follow, rather than anticipate, a lessening of the threat. Verifiable, mutual and balanced force reductions should be vigorously pursued within the framework of political dialogue between South and North Korea. Given the present political and military realities on the Korean peninsula a unilateral withdrawal of U.S. forces does run grave risks.

Thank you, Mr. Chairman.

[The statement of General Menetrey follows:]

STATEMENT BY
GENERAL LOUIS C. MENETREY, USA
COMMANDER, U.S. FORCES, KOREA

I. INTRODUCTION

Mr. Chairman and distinguished members of the Armed Services Committee: It is a pleasure to appear before you today to discuss the defense of US interests in the Pacific. It has been nearly a year since I last appeared before this committee and during that time the world has witnessed changes on a scale few of us would have imagined. While the profound changes occurring in Europe have focused much of our attention on that part of the world, we must also consider the state of US interests elsewhere. Confronted with the political and military chenges on the international landscape, as well as the realities of budgetary constraints, an examination of the US role in Northeast Asia, including the Republic of Korea (ROK), is most appropriate.

Map 1.

SOVIET UNION
SEA OF OKHOTSK
NK
SEA OF JAPAN
ROK
JAPAN
CHINA
NORTH PACIFIC OCEAN
TAIWAN

II. THE IMPORTANCE OF NORTHEAST ASIA (Map 1.)

- Northeast Asia is an area where the interests of the four major world powers intersect -- the US, USSR, PRC and Japan.

- The East Asia and Pacific region is of ever increasing importance to global stability and to continued American prosperity.

  -- For years, trade in the region has greatly exceeded that with Europe.

-- The economic vitality of the US is linked to this region.

-- Together, the US and Japan account for 40 percent of the gross world product.

III. U.S. STRATEGY AND OBJECTIVES

- The US postwar grand strategy of containment was designed to check the advance of communism, reverse that advance whenever and wherever possible, and ultimately to foster conditions leading to fundamental alterations within the communist world that would transform it into a less threatening system.

- US national military strategy is built primarily around deterrence, alliance solidarity, and forward deployed forces.

-- Deterrence, to be effective across the spectrum of conflict, must be based on credible, combat-ready forces and an equally credible political will to employ them.

-- Alliance solidarity produces a synergistic effect which benefits all partners.

-- Forward deployed forces demonstrate resolve, foster regional stability and power balances, support friendly nations and provide quick reaction capability in emergencies.

- US security objectives in East Asia and the Pacific include assisting allied and friendly nations develop politically and economically, free from encroachment, coercion or active military threat.

- Our alliance with Japan is basic to the US position in the region. A primary US objective in the postwar era has been to maintain regional stability through strong bilateral ties.

- Since the 1970s, the US and PRC have engaged in strategic cooperation designed to counter the power of the USSR in Asia. The tragic events in China in 1989 do not negate the fact that US interests are best served by a relatively stable US-PRC-USSR relationship.

- There is no multinational security arrangement in the region as there is in Europe. US bilateral security guarantees and forward deployed forces are the glue which binds the region together, maintains stability, and preserves the peace.

Table 1.

THREAT IN KOREA

SEA nK vs. ROKN/7th Fleet: Greatly Favorable To ROK/US.

AIR nK vs. ROKAF/PACAF (-): Favorable To ROK/US.

GROUND nK vs. ROKA/EUSA: Greatly Favorable To nK.

	MANPOWER	TANKS	ARTY/MRL
nK:ROKA/EUSA	1.5:1	2.2:1	2.5:1

a. As little as one day warning of conflict.
b. nK ground forces are forward deployed (attack positions).
c. nK Arty/MRL density along DMZ is 2.5 times that of Warsaw Pact in Central Europe.

IV. THE THREAT (Table 1)

- The long-standing threat to US interests in Northeast Asia is North Korea's unremitting hostility. It remains one of a handful of countries that have been accurately described as heavily armed, poverty-stricken, garrison states.

- These characteristics, combined with its first generation revolutionary leadership, rigid ideology, and Orwellian control over its citizens, make North Korea unpredictable and highly dangerous.

- Since 1970, North Korea has been engaged in a well-coordinated national effort to enlarge and modernize its armed forces.

- The military balance on the peninsula, based on known personnel strengths, equipment, and force deployments, continues to favor North Korea. This situation is expected to improve as the Republic of Korea continues to modernize its armed forces.

- A significant factor in the military balance is the level of Soviet assistance to the North -- assistance which has continued in spite of the Soviet's newly declared security policies of 'reasonable sufficiency' and 'defensive defense' -- and increased diplomatic and commercial interaction with South Korea.

- North Korea maintains a well-trained, highly-disciplined army, with numerical advantages over the ROK in most categories of combat power, including a 370,000-man advantage in personnel strength and superiority in tanks, artillery and multiple rocket launchers. (Table 1)

  -- The North Korean Special Operations Force, more than 80,000 strong, engages in terrorism, subversion, and intelligence collection, and represents a serious threat to South Korea.

  -- Major North Korean ground forces are deployed well-forward, supported by extensive underground facilities and storage sites near the Demilitarized Zone (DMZ). This posture masks the North's intentions and considerably reduces warning time of an attack against the South.

- The North Korean air force retains a numerical advantage over the ROK Air Force and has made qualitative improvements as well.

  -- The acquisition from the Soviet Union of advanced combat aircraft (e.g., MiG-29, SU-25), modern radars, and newer air defense systems enhances North Korean air defense and intercept capabilities.

- The North Korean navy enjoys a substantial advantage over the ROK Navy, particularly in submarines and fast attack patrol boats, as well as in new infiltration and amphibious vessels.

- The North continues to utilize much of its industrial capacity to produce military items and will likely continue to do so.

- Military spending by the North has remained relatively steady, averaging between 20 and 25 percent of Gross National Product.

- North Korea's substantial military investment has come at the expense of balanced economic development.

- North Korea is clearly one of the most heavily armed nations in the world and, unlike the nations of Eastern Europe, shows no signs of lessening its commitment to the Kim Il Sung personality cult, its obsessive militarism, or its own brand of communism.

- Tension reduction and confidence building measures proposed by the United Nations Command and South Korea have been uniformly rejected by the North.

- North Korea's bleak economic outlook and South Korea's advantages in population and economic growth notwithstanding, the military threat posed by North Korea remains significant.

V. THE US-ROK SECURITY RELATIONSHIP

- It is to the benefit of the US to foster democratic principles and free market economies. The US-ROK alliance provides the security shield necessary to attain these goals in the Republic, given the threat from North Korea.

- The US-ROK military partnership provides unique joint and combined training opportunities for ROK, US Forces Korea (USFK) and many other US forces from off the peninsula -- in the actual environment where they would likely fight in an emergency.

Impact of US Forces Korea

Global Perspective:

- USFK represents the translation of the strategic concept of containment into reality on the Asian mainland and is thus an indispensable element in our security architecture. Specifically, USFK:

  -- Represents a component of US worldwide deterrence.

  -- Graphically demonstrates by its presence the US commitment to fulfill its collective security and treaty obligations.

  -- Epitomizes forward deployment of combat forces to protect the vital interests of the US.

-- Represents commitment and continuity in an area of the world where meaningful reductions in East-West tensions have not yet occurred.

--- Rather, North Korea and the PRC have recently grown closer as each resists the changes sweeping much of the rest of the communist world.

--- The USSR has strengthened its security relationship with North Korea and has continued to supply modern weaponry.

--- North Korea continues its arms buildup and shows little desire to reduce tensions or change its 'Stalinist' system.

Table 2.

REGIONAL MILITARY STRENGTH*

	JAPAN	OKINAWA	KOREA	TOTAL
ARMY	1,589	847	31,841	34,277
NAVY/MARINES	17,145	23,480	459	41,084**
AIR FORCE	8,198	7,984	11,419	27,601
TOTALS	26,932	32,311	43,719	102,962

a. Represents 4.5 % of Army, 5.2 % of Navy/Marines and 4.8 % of Air Force.
b. Only land threat is on Korean peninsula.
c. Only Army combat forces west of Hawaii.

(*As of 31 Dec 89. **Does not include all of U.S. 7th Fleet.)

Regional Perspective:

- USFK, along with other US air, sea and land forces deployed in the region, is a key stabilizing factor in East Asia and the Pacific. A unilateral US withdrawal would create a vacuum that others would want, or would feel compelled, to fill. The regional balance of power would be upset, with global ramifications. Specifically, USFK:

-- Deters North Korean aggression, which if unchecked, would have repercussions throughout the region and the rest of the world.

-- Acts as the agent for the US/United Nations to enforce and maintain the Korean Armistice, thereby contributing directly to stability in the region.

-- Maximizes US influence in a region increasingly important economically, politically and militarily to the US.

-- Helps ensure the security of Japan, which, besides being of obvious benefit to the Japanese, reassures neighboring countries worried about any possibility of Japanese military dominance in the region.

-- Comprises the only US combat force on the Asian mainland and the only Army ground combat force west of Hawaii.

-- Provides forces available for deployment to other potential trouble spots far from the US mainland (or Hawaii).

Peninsula Perspective:

- USFK represents the power of the US military instrument and the willingness to use it if necessary. Our presence has deterred North Korea for 37 years and has created the conditions which have allowed the ROK to emerge as a democracy and an economically advanced nation. Specifically, USFK:

-- Provides, particularly with ground forces, the single most effective deterrent to North Korean aggression.

-- Contributes significant ground combat power, disproportionately larger than the 2d Infantry Division (2ID) numbers alone would indicate.

-- Provides ground; air; naval; command, control and communications; indications and warning; and logistics assets and capabilities which the ROK military cannot replicate at present.

-- Fosters conventional (and nuclear) stability in one of the world's potential flash points.

-- Contributes directly to the steady maturing of the ROK military through combined operations and training, common doctrine, and interoperability.

-- Complements ROK forces as they move toward parity with the North.

ROK Military Capabilities

- Since the end of the Korean War, South Korea, assisted by the US, has continually expanded its military capabilities.

- Today, the ROK military, composed primarily of conscripts, is a well-trained, disciplined, and capably-led force.

- South Korea has devoted approximately one-third of its defense budget for force improvements and modernization since 1984.

-- Projected ROK Force Improvement Program (FIP) funding for 1990-95 is $24.3 billion, representing a twofold increase over the 1985-89 funding level.

-- The ROK decision to spend over $4 billion to purchase F/A-18 aircraft under the Korean Fighter Program is an example of the FIP at work. This aircraft will significantly improve ROK Air Force capabilities and enhance deterrence on the peninsula.

- In 1990, ROK purchases of military equipment and supplies from the US and third countries are projected to reach $1.45 billion and $275 million, respectively.

Sharing The Costs Of Deterrence

- The ROK shares defense costs at least as much as other US allies.

- Over the past two decades, the ROK has increased defense expenditures significantly more than the US or any of our other allies.

    - On average, annual defense spending has traditionally represented one-third of the ROK national budget.

    - With military personnel costs only about a third of those for the US, a much larger portion of the ROK defense budget can be devoted to other categories, such as procurement of new equipment and other force modernization issues.

- South Korea devotes a significant portion of its population to defense.

    - With universal conscription (30 months) and a strong reserve program, the percentage of Koreans receiving military training is more than twice that of the US.

    - The ROK provides nearly 6,000 soldiers for duty in US Army units based in Korea under the Korean Augmentation to the US Army (KATUSA) program.

- ROK support of US forces in Korea amounts to $300 million in direct contributions and over $1.9 billion in indirect contributions, of which $1.2 billion is rent-free land.

- In the future, direct cost sharing contributions are expected to expand into a wider variety of areas and grow at a rate equal to or greater than the growth of the ROK economy.

- Stationing forces in Korea represents by far the least costly method of maximizing US influence in the region. The only way to save money would be to disband the forces and dispose of the equipment.

- A unilateral withdrawal of US forces in an attempt to save money runs the risk of being dangerously counterproductive, given the present political-military realities on the peninsula.

    - Such a move could well be interpreted by the North as a weakening of US commitment.

    - A unilateral withdrawal, with no change in US obligations under the Mutual Defense Treaty, would weaken deterrence and would ultimately cost far more in the event redeployment in a crisis was necessary.

    - Redeployment in a crisis, in time to make a difference, is by no means assured given the short warning time predicted by intelligence agencies.

VI. U.S. OPERATIONAL REQUIREMENTS

- Improvements in the broad areas of sustainability, force structure/modernization, and information management must continue.

- Sustainment of US forces in time of war is our major concern. Problem areas include:

  -- Modern Munitions: Critical shortages exist in preferred munitions. These munitions provide the armor-piercing capabilities needed to counter the North Korean armor threat and air-to-air capabilities against the numerically superior North Korean air force.

    --- The intensity of initial combat requires pre-positioned resources in country to sustain combat forces.

    --- Reserve stocks in the Pacific theater do not satisfy our critical needs. A lengthy delivery time is required to receive materials from the continental US. In wartime, we cannot rely on the already overburdened strategic airlift to haul our munitions across the Pacific.

  -- Pre-positioned War Reserve Stocks (PWRS): Inadequate stocks of major end items, repair parts, spare parts, and medical items persist.

    --- Shortages in major end items of equipment are particularly acute for combat vehicles, howitzers, tactical radios, and night vision devices.

    --- There is an urgent need for funds to construct additional covered storage areas for war reserves.

    --- In-country petroleum, oil, and lubrication stocks, critical to the sustainment of allied forces in Korea, are partly stored in inadequate, vulnerable facilities. Delivery lead time and exposure to hostile action make dependence on offshore resources an Achilles heel for US forces.

  -- Medical Support. Two critical areas are Deployed Medical Systems (DEPMEDS) and the Frozen Blood Facilities:

    --- DEPMEDS is necessary to provide a field hospital system that can be readily relocated. It is also essential for treating patients who cannot be medically evacuated out of country.

    --- Frozen Blood Facilities are vital to our forces in the Pacific. They ensure that sufficient blood products are available during the early stage of armed conflict and will allow the command to operate independently of outside sources.

- Force Structure/Modernization remains a problem as we attempt to maintain our warfighting capability while drawing down our forces to meet the Northeast Asia Troop Strength ceiling and other directives. Our primary concerns are:

  -- 2d Infantry Division (2ID) Army of Excellence (AOE) Design.

    --- Delivery of modern weapons systems is on track; however, the facilities needed to support them are lagging far behind.

    --- Without facilities, AOE conversion must be implemented on a catch-as-catch-can basis, creating adverse affects on training, sustainability, readiness, and quality of life.

-- APACHE (AH-64) Helicopter Conversion. With its lethal antitank weaponry and all-weather, day and night capability, the APACHE is essential to the defense of the ROK.

--- A considerable portion of the construction for stationing the APACHE was accomplished by the ROK Army as a Combined Defense Improvement Program project.

--- The APACHE flight simulator facility is in the FY91 Military Construction Army (MCA) program. The simulator is vital because of airspace limitations and lack of ranges to accommodate the aircraft's weapons systems.

--- Funding for this $1.5 million construction project must be protected in budget reviews. Without the simulator, pilots cannot maintain proficiency.

-- Unmanned Aerial Vehicle/Remotely Piloted Vehicle (UAV/RPV).

--- UAV/RPV will provide critical targeting capabilities, such as: penetration of enemy defenses, survey of the 'reverse slopes' of the mountainous North Korean terrain, reconnaissance of target areas, and real-time reporting of battlefield information to commanders and fire support officers.

--- The requirement for such a capability is illustrated by the problem of locating and neutralizing North Korean hardened artillery sites (HARTS). These heavily fortified sites are vulnerable to attack only when the enemy's artillery is deployed for firing. UAV/RPV would be able to take advantage of this window.

- Information Management. Two areas of USFK concern are:

-- FY90 Automation Cap. The automation cap for FY90 has severely limited our automation capabilities, completely eliminated the purchase of new computer hardware, and forced the reduction of civilian personnel spaces.

--- The net effect will be to hamper our ability to provide timely information to the combat and combat support activities of this command.

--- If this limitation continues, the inefficiencies of old systems or the need to return to manual operations will undermine USFK's combat readiness posture.

-- Korea Digitalization and Reconfiguration. This initiative will increase the current fiber optics communications capability within Korea by providing digital communications in some areas and backup communication capability in others. The resulting improvements in command, control, and communications will enhance our warfighting capability.

VII. US-ROK ECONOMIC TIES

- The US-ROK economic/trade relationship is strong and growing stronger. Considerable progress has been made in addressing the trade deficit, as well as in resolving a number of difficult bilateral trade issues.

- In 1989, total trade between Korea and the US reached nearly $40 billion.

- Korea's bilateral trade surplus with the US totalled about $5.2 billion in 1989, 40 percent less than the $8.7 billion surplus recorded in 1988 and 45 percent less than 1987.

- US exports to Korea increased about 24 percent to $16 billion in 1989, following a 45 percent increase in 1988. Korean exports to the US actually declined slightly in 1989.

- In 1988 and 1989, some long-standing trade disputes were resolved. Last May saw the successful conclusion of "Super 301" negotiations. This agreement, when fully implemented, has the potential for providing significant benefits to US exporters and investors.

- US officials will closely monitor developments in Korea's protection of US intellectual property rights, work closely with Korean government official to ensure the full and timely implementation of the "Super 301" and other bilateral agreements, and generally encourage further liberalization by the Korean government.

VIII. CONCLUSIONS

- We are now seeing the basic changes in the international environment that our grand strategy was designed to foster. While we must be flexible enough to take advantage of these changes, it is far too early to "declare victory" on the Korean Peninsula and abandon the approach that has maintained the peace and served basic US interests for so long.

- US strategy and policy toward Northeast Asia and Korea has been consistent and successful for 37 years. The nations of the region are too well armed and are too diverse politically, economically, and culturally to expect continued peace and stability absent US leadership and security guarantees.

- The ROK represents a resounding success for US postwar strategy and policy. Our military presence reinforces that success by maximizing deterrence against a dangerous and unpredictable adversary.

- Reducing tensions and transitioning to a less threatening political environment in Northeast Asia will require artful statecraft, backed by credible military power. USFK, by providing such power, remains essential to peninsula and regional stability.

  - -- Adjustments to USFK as presently structured and deployed should be evolutionary, strategically and tactically sound, and follow, rather than anticipate, a lessening of the threat.

  - -- Unilateral cuts would ignore geopolitical realities, weaken deterrence, jeopardize alliance solidarity, lessen US influence, possibly lead to an intensified arms race, undercut democracy and stability in the ROK, and constitute false economies.

- Verifiable, mutual and balanced force reductions should be vigorously pursued via South-North political dialogue. Within this context, U.S. (and ROK) forces can be safely reduced.

Chairman **Nunn**. Thank you very much, General Menetrey.

Admiral, let me start with asking you about the threat. In your written statement you assess the Soviet threat in the Pacific in the following terms, and I am quoting from your statement:

"Finally, the quantity and quality of Soviet military forces in theater remains formidable. This is not to say there has not been change. There has been retirement of equipment, redeployment of some ground forces, and altered patterns of reconnaissance and operational activities.

"However, improved replacement equipment is being fielded and strong forces still remain in locations from which they can threaten our vital interest in Northeast Asia. Soviet power projection capabilities have qualitatively improved, and their modernization of strategic systems continues. Although their intentions appear to have changed, the Soviets retain significant war-fighting capability in the Pacific region."

Admiral, what is the conclusion we should draw from this assessment in broad terms? Has the Soviet military threat in the Pacific diminished in the last 2 years?

Admiral **Hardisty**. Yes, Mr. Chairman. I think threat could be described as a combination of capability and intention, or political will. I think the intention and political will of the Soviet Union in regard to adventurism, or a threat to the Pacific, has diminished. The capability to do so has not diminished. It is qualitatively improved.

Chairman **Nunn**. It has quantitatively gone down, but qualitatively improved?

Admiral **Hardisty**. That is correct. Quantitatively gone down, but qualitatively improved.

Chairman **Nunn**. So your assessment of the diminished threat comes more from intentions than from capabilities?

Admiral **Hardisty**. Yes sir—rather than capabilities.

Chairman **Nunn**. How do you judge those intentions in your region?

Admiral **Hardisty**. I think the focus is now turning toward my region. Certainly, what is going on in Europe has had a lot of our attention and a lot of the Soviet Union's attention.

In Secretary General Gorbachev's Vladivostok speech, he was looking at the Pacific, he was looking at initiatives, he was looking at confidence-building measures, those type things. He announced that the Soviets intended to be a Pacific power, they had interests in the Pacific.

He certainly expressed Soviet economic interest in the Pacific and in developing the Soviet Far East. First, he will have to accommodate with China and Japan; I believe we will begin to see that unfold.

As far as the threat to our forces, I do not look at the Soviet Union as the only threat. It has been primary in the past, but today in the Pacific we have many threats. General Menetrey just talked about the primary one in my book, the one where conflict would most likely take place and that's on the Korean peninsula.

We have also had democratic setbacks in China, we still have Vietnam, we still have Cambodia, we have social unrest, we have ethnic unrest in the region. Our forces are postured on a regional basis. They have been because of our strong bilateral relationships and not just postured against the Soviet Union.

Chairman **Nunn**. Admiral, I certainly agree with all of that. Let's speak hypothetically for a moment. If the Soviet Fleet disappeared from the Pacific over the next year and they diminished their land-based air to the extent they have land-based air there, outside their own country, if that happened, how appreciably would that change the requirements for your command?

Admiral **Hardisty**. Mr. Chairman, we are kind of lean in the Pacific. The Pacific Command's forces comprise 16 percent of the end strength of our total Armed Forces.

But if you look at those that are forward-deployed in the Philippines, with the U.S. 7th Fleet, and in Japan and Korea, they represent 6 percent—between 6 and 7 percent of our total end strength. Those forces cover 50 percent of the world, so I think we get a lot of bang for our buck.

As you know, since World War II, the presence of those forces has created stability and security not only in Southeast Asia, but Northeast Asia and broadly throughout the Pacific Rim and Indian Ocean. This has allowed tremendous economic development and it has protected our own economic and security interests. Given the North Korean threat, given our responsibilities broadly throughout the region if the Soviet Navy went away we would still need a Navy to protect the sea lanes, to provide oil out of the Middle East, to provide the raw materials that come into Asia, and to protect our own economic security. If the Soviet Navy and land based air went away, obviously our adjustments would be more than we contemplate today.

Chairman **Nunn**. So that, is it possible to quantify, of your overall threat in the Pacific and of your overall force deployments, how much of it is based on Soviet threat versus other miscellaneous but important threats? Is there any way to quantify that? Are we talking about half? Are we talking about 75 percent Soviet, just roughly?

Admiral **Hardisty**. That is hard to quantify. Our naval forces and our marine expeditionary forces, are our force of entry, throughout the region, and for Third World contingencies.

Chairman **Nunn**. Marines really are not geared to a Soviet threat, per se?

Admiral **Hardisty**. No sir, not at all. They are geared to Third World contingencies, forcible entry, or the protection of our U.S. citizens and interests, such as——

Chairman **Nunn**. Your Army forces in the Pacific, including Hawaii, are generally not geared to the Soviet threat either.

Admiral **Hardisty**. No, they are not geared primarily to the Soviet threat, they are geared to other threats such as the North Korean threat.

Chairman **Nunn**. But it is difficult to quantify?

Admiral **Hardisty**. Yes sir, it is difficult.

Chairman **Nunn**. My time has expired. Senator Cohen?

Senator **Cohen**. Thank you.

Admiral Hardisty, last year the authorization report contained a recommendation or direction for the Secretary of Defense to report to Congress by April 1 of this year as to what our situation should be with respect to Korea, and several of the issues included reviewing whether or not Korea should assume increased responsibility for its own security, offset more of the direct costs incurred by the U.S. in deploying our forces, and whether or not we should undertake negotiations for the partial gradual reduction of U.S. forces.

Now, Secretary Cheney is on his way to Korea next week, I believe, and to Japan as well, and there seemed to be some conflicting reports concerning the willingness of the South Koreans to, in fact, increase their support for our forces deployed there.

Defense Minister Lee said last week that "we will weigh a raise in our spending to delay a pullout of U.S. forces," but there was some conflict. One unnamed high official within the Foreign Ministry, who is responsible for burden-sharing negotiations, said that if Washington calls for a drastic increase in our cost burden "we will positively consider accepting U.S. troop withdrawals."

The question I have is, what is your assessment as to the willingness of the South Koreans to increase the support for U.S. troops there?

Admiral **Hardisty**. My assessment, and I am sure General Menetrey would agree and can probably elaborate on this, is that they will accept increased burden-sharing and cost-sharing. They recognize that given our problems today with our budget, given what is happening worldwide, given their own situation, that they can do more and should do more.

How much more is being negotiated. Their economy is growing apace, however their standard of living is not all that high. It certainly is not comparable with that of Japan.

We are looking at relative increases in their burdensharing. I think they are willing to provide more. We are discussing that and have been discussing that with them, Senator.

Senator **Cohen**. Would you assume the same thing is true for Japan? For example, last week Japan's Chief Cabinet Secretary Moriyama said that Japan might voluntarily increase spending to support U.S. forces, but it is not clear exactly when they might consider that. But do you think it is reasonable for Japan to pay, let us say far more than the 40-percent they currently assume?

Admiral **Hardisty**. Yes, sir, I do think that is reasonable, and negotiations are underway. The President owes that report under the Nunn-Warner amendment on April 1, and the follow-on reports after that, so burdensharing, or cost-sharing, or responsibility-sharing, whichever word you want, has been under discussion and will be continuing. I do believe that Japan recognizes that they should do more and are willing to do more.

In another area Japan is doing more. The Vice President and President have encouraged them. Japan's overseas development assistance, now $50 billion appropriated over the next 5 years, is the largest security assistance program in the world, and not only providing that security assistance in nations where that is helpful to the United States, throughout the Pacific Rim, they have also been encouraged to provide that security assistance in areas such as Central America and in Europe. That is in the process of happening.

That is quite a contribution by Japan, which is again indirect, not directly tied to the presence of United States troops there, but the combination of those two things is commendable. I think the Japanese are willing to do more.

Senator **Cohen**. Admiral, how do you account for the 7th Fleet Commander making a statement which was reported in The Washington Post today, which indicates he does not recommend there should be any significant increase on the part of the Japanese to support our forces because it, in the long run, may have some impact on our flexibility? It seems to me that undercuts exactly what Congress is seeking and what the administration is seeking.

Admiral **Hardisty**. Well, it would seem that it undercuts that, and I would hope that Admiral Mauz was misquoted. I do not agree with that.

You could lose some measure of control. For example, if Japan paid all labor costs and other things you might lose some management flexibility. I think he may have been alluding to that kind of thing, but I do not think he meant to undercut Congress or imply that they should not do more, Senator.

Senator **Cohen**. He also made the statement that no matter who wins the elections in February that the policy would not change with respect to U.S. troops deployed there, or our forces as far as the declaration of whether it is nuclear or non-nuclear. Do you agree with that statement, that assessment?

It seems to me that the opposition party has made it very clear that they are opposed, and they have been opposed to U.S. troops deployed. They have modified that position, saying they would insist upon a declaration of what sort of weapons or power system is contained in the U.S. ships.

Admiral **Hardisty**. My judgment on that is I do not know what Admiral Mauz based his information or judgment on the NCND issue, neither confirm nor deny. However, I have had informal indication—and I think there is probably assurance—even if the opposition party were to win the election in the lower house, they would not abrogate United States-Japanese mutual support and security agreement. As long as we have that security agreement and the status of forces agreement, that should not make for any change.

Perhaps the opposition would be a lot more vocal, about our presence and on certain other issues. In my judgment, no matter who wins the election our mutual security arrangements would continue.

Senator **Cohen**. My time has expired, but I could paint a scenario, for example. We have not discussed this, but if the Soviets were to make some concession with respect to the northern islands, I think you would see a significant change in Japanese opinion, public opinion, as to the nature of the threat posed by the Soviets that might indeed change the nature of the relationship that we have with them, but that is something perhaps we can explore later.

Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Cohen. Senator Wirth.

Senator **Wirth**. Thank you very much, Mr. Chairman.

Mr. Chairman, General Menetrey and I spent some very productive time together recently in Seoul. I am delighted to have you here, sir. Thank you very much.

Secretary Cheney announced on Monday that we were going to close three Air Force bases or wished to close three Air Force bases in Korea, is that not correct?

General MENETREY. Yes, sir.

Senator WIRTH. How many American personnel were on those bases or are on those bases?

General MENETREY. Sir, located on those bases currently are roughly 3,000 American military personnel, but that does not mean that those 3,000 would necessarily leave Korea.

Senator WIRTH. That was my question. What is going to happen to those 3,000 personnel?

General MENETREY. We are currently looking at that, sir. We are doing the planning right now.

If you ask me to guess before we determine what the co-located operating base arrangement will be, I would say it is somewhere around 1,700.

Senator WIRTH. If we look overall at the U.S. level of forces in Korea, where is that today compared to where it was, say, in 1980?

General MENETREY. It is higher today than it was in 1980. It was roughly 38,000–39,000 then. It is roughly 43,000–44,000 today.

Senator WIRTH. And did not Ambassador Gregg at one point suggest that maybe what we ought to be doing is looking at perhaps a troop reduction that would at least go down to the 1980 levels?

General MENETREY. Sir, I talk to Ambassador Gregg daily. I cannot recall that he said anything like that. He did not to me at least.

Senator WIRTH. Did he not give a speech in southern Korea to that effect, that this is one of the areas we ought to be looking at?

General MENETREY. I cannot verify that, sir. I really cannot.

Senator WIRTH. There was a good deal in the Korean press about that and concern over what he had said. That was one option. Gregg had said that that was one of the options to look at. Clearly we are finding in the U.S. Congress an increasing concern about the reduction of troops on the Korean peninsula.

It seems to me that it is going to happen, and one of the concerns that I have, as you and I discussed, is that if the United States is going to, as I think we are, be withdrawing troops or withdrawing U.S. forces in some way from Korea, that this ought to be done; (1) with the greatest consultation with the South Korean Government and, (2) we had hoped to be in a situation where not only would they understand this, but perhaps we could be in the situation where, in fact, for their own internal reasons which are complicated, as you know much better than I, get them perhaps, to even announce this sort of thing so that it is the kind of thing that is coming from them. Just as with Team Spirit when there were reductions in Team Spirit, we made a virtue of necessity on that and used that as a way of saying we want to lower the overall level of tensions.

What is your reaction to that kind of a packaged approach to what would appear to be reality coming down the line?

General MENETREY. Sir, I think it is fair to say that it is the subject of ongoing consultations with the Republic of Korea Government. There has been much speculation in the Korean press, you are correct. Every day, in fact including today there is speculation in the Korean press on the U.S. troop presence and the possible drawdown or lowering of that presence.

So, the 38,000 or some other number is speculated on a regular basis. But I agree with what you indicate, that through consultation—after all, the Republic of Korea is a very close ally—and consulting with them is, of course, what we should be doing.

Senator **Wirth**. Incidentally, the Gregg speech was at Kwangju in January, early January, when he made that famous visit there.

Let me jump if I can. I know you are obviously not in a position to make any statements or commitments on troop withdrawals, but it would seem to me the kind of approach that I have outlined in the letter to Secretary Cheney and the approach that I just briefly discussed is the kind of approach that we ought to be taking and use that as a way to perhaps be discussing with the North Koreans.

Have they remained as recalcitrant in every way while we have attempted as you pointed out in your testimony? We have attempted to propose a few confidence building measures. Are they as recalcitrant today, February 1990, as they always have been in the past or are there any signs of any kind of a softening posture from them?

General **Menetrey**. You know, over the years every time I think that there is reason for hope, it gets dashed. And recently they have drawn back from the talks that were ongoing up in Panmunjom.

As you know, there were four levels of talks, North-South, and they have sort of withdrawn from those temporarily. But in terms of the confidence-building measures, there has been no movement whatsoever.

Senator **Wirth**. So, overall in terms of any kind of North Korean response, we have not seen any change, is that right?

General **Menetrey**. Not as yet, no, sir.

Senator **Wirth**. Are there any positive signs at all?

General **Menetrey**. I think the positive signs have to do with changes in the rest of the world. They must impact the North sooner or later.

Their initial reaction was to draw in closer, withdraw students from overseas, institute greater degrees of population control and so on because they wished to hide those kinds of changes from their own population. But I do not believe that it can remain hidden forever or much longer.

So, I see signs and hope that this kind of thought process will also invade North Korea.

Senator **Wirth**. In the past—and I close with this, Mr. Chairman—in the past I think every time TEAM SPIRIT was announced, any discussions that were going on have been stopped, and yet that is not the case this time around. Is it with the announcement of TEAM SPIRIT, the discussions between the North and the South over parliamentary exchanges have continued, have they not?

General **Menetrey**. Sir, you are quite correct. That was the initial assessment. The announcement on TEAM SPIRIT—in fact, the next day they then delivered a letter on the talks. But since then in the last couple of weeks they have seemed to draw back from that and become more strident both on TEAM SPIRIT and other matters.

They invented a wall—the latest is that they have invented a wall in the south similar to the Berlin Wall. Of course, there is no wall, but they have become more strident here in the last couple of weeks.

Senator **Wirth**. Well, they said that about the wall the next day after TEAM SPIRIT, and yet these discussions continued. We are having discussions with the North Koreans in Beijing, are we not?

General **Menetrey**. Yes, sir.

Senator **Wirth**. And discussions about Asian games continue as well. If one were looking for any kind of signs of change, there are a few. I understand that the tea leaf examiners can find some more positive tea leaves in 1990 than they could find at just about any time in the past.

The Soviets are having very significant discussions with the South Koreans. The Soviets are clearly urging us to continue our discussions with the North, so it would appear to be rather than all of us just digging in our heels on this, it would appear that there are opportunities there, and we certainly ought to continue to press on those.

And I would suspect that initiatives in the area of troop reductions can be positive steps in that direction. Not to be Pollyannaish by any means about it, but the world is changing and one cannot be immune to that. We ought to change just as we expect them to change.

Mr. Chairman, thank you very much.

Chairman **Nunn**. Senator McCain.

Senator **McCain**. Thank you, Mr. Chairman.

Admiral Hardisty, thank you for being here again; and General Menetrey as well. We are always appreciative of the fine performance that you give here, and it is always very educational.

I would like to return to the subject that Senator Cohen raised. I certainly do not expect all of your commanders to read the Department of Defense authorization bill, but there was a burdensharing amendment last year that specifically called for the Japanese to assume 100 percent of the costs of the U.S. forces in Japan. Now the Commander of the 7th Fleet says there is certainly room for some additional burdensharing in Japan, but probably at the margins because they do a great deal as it is.

My first question again, Admiral, is—and I do not know if you can speak for him—was he unaware of the actions of Congress? And, number two, I was under the impression that it was the Commander in Chief of the Pacific Command, you, that spoke on these issues rather than the operational fleet commanders.

Admiral **Hardisty**. Well, certainly the latter is true and should be, Senator McCain. Again, I say I do not know the circumstances of the interview that Admiral Mauz had.

I think he is smart enough to know about the Nunn-Warner amendment. I am sure he is familiar with it. I think he also knows that consultation—your visits in his own AOR could not have been more explicit about the intentions of Congress or the intentions of the amendment, 100 percent or at least 100 percent of all appropriate yen-based costs.

Certainly consultations are ongoing and headed hopefully in that direction. I hope we have good news in the President's report.

Senator McCAIN. I hope you will be able to remedy this problem.

Chairman NUNN. I might say that Senator McCain had a very big role to play in that. I do not know what the name of it ended up being, but the McCain name ought to have been right at the top of the list.

Senator McCAIN. Thank you, Mr. Chairman. I appreciate that.

Admiral Hardisty, there is a variety of unfolding scenarios that we all can speculate about, but one not unlikely scenario is that when Mr. Gorbachev comes to visit Japan in May I believe it is that he propounds, puts forth a proposal that the Soviet Union will return the northern islands to Japan in return for a guarantee of demilitarized islands, and that obviously is not out of character for this individual who has made startling and sometimes even sensational proposals.

What effect does that have on U.S.-Japan relations and how will the Japanese react to that and how should the United States react to it?

Admiral HARDISTY. Well, you are quite correct, Senator, that the Gorbachev visit is in 1991—although the Foreign Minister, Shevardnadze, will be visiting I believe in March or April, there have already been talks between Japan and the Soviet Union in Moscow. There will be follow-up talks by the Foreign Minister.

I do not know that they talked about the northern territories, or how explicitly they talked about them. I believe they have had discussions with Japan about the northern territories prior to this meeting.

If they give the northern territories back, they are going to want something in return. They may well want economic investment in the Soviet Far East and to have Japan help them improve their economic efforts in the Soviet Far East and in the Pacific.

As to the effect on Japanese public opinion in regard to the Soviet threat if the islands were demilitarized—today they pose a threat because there are military forces there. If the military forces were not there, it would lessen the immediate threat against Japan. But, on the other hand, it is only a few miles across the Sea of Japan to mainland Soviet Union.

That would reduce the Soviet immediate threat somewhat, but again the Soviets would still have a formidable capability. They would still have the capability to threaten Japan. The question is whether they have the will or intention to use that capability. They probably would not. I do not think it would affect our security relationship with Japan if the northern territories were returned.

Senator McCAIN. So the United States obviously should welcome such a proposal?

Admiral HARDISTY. Yes. I think we should welcome such a proposal. It opens up the Sea of Okhotsk, and right now those straits are kind of the family jewels to the Soviet submarine force.

Senator McCAIN. General Menetrey, can you comment on the recurring reports that we hear in the media about the possibility of North Korean involvement in nuclear weapons production?

General Menetrey. Sir, it is difficult to comment fully on that, but I think we can all agree that the North Koreans should abide by the nuclear safeguards agreement as they said they would and to subject themselves to inspection by the International Atomic Energy Commission. So far they have not taken that step, and I believe that all of our efforts should be directed toward that end since they have promised to do so.

Senator McCain. Are you concerned about the possibility of the North Koreans producing nuclear weapons?

General Menetrey. Yes, sir. I think any reasonable person would be concerned about such a possibility. To have such weapons in the hands of that type of a regime would make anyone nervous, I should think.

Senator McCain. Admiral Hardisty, finally, could you give your assessment of the effect on Soviet capabilities of their drawdown in presence at Cam Rahn Bay and whether this drawdown is permanent?

Admiral Hardisty. They have drawn down in Cam Rahn Bay, Senator. They have not left Cam Rahn Bay. There is some speculation in the press, and also some public discussion that they would leave Cam Rahn Bay if we would leave the Philippines. Given the problems Secretary General Gorbachev has, he may well leave Cam Rahn Bay and leave the infrastructure there. They could have an agreement with Vietnam to redeploy there or use the bases for contingency purposes.

We were in Subic long before they were in Cam Rahn Bay, and we are in Subic for vastly different reasons than the Soviets are in Cam Rahn Bay. We are in Subic to protect our economic interests, to provide security and stability in Southeast Asia. We have responsibilities and interests in the Indian Ocean and the Persian Gulf to keep the international sea lanes open both for oil and strategic raw materials.

Again, if Mr. Gorbachev were to leave Cam Rahn Bay and say we should leave Subic, that is kind of apples and oranges from my point of view.

Senator McCain. Thank you, Mr. Chairman.

Senator Dixon [presiding]. General, what is the population of North Korea?

General Menetrey. 22 to 23 million, sir.

Senator Dixon. What is the population of South Korea?

General Menetrey. Currently, 42 to 43 million.

Senator Dixon. North Korea is half the size of South Korea?

General Menetrey. Yes, sir, in population.

Senator Dixon. In economic strength, how many times greater would you say the economic strength of South Korea is? Some of us have heard four times as great; others have heard five or six times as great.

General Menetrey. The problem there is trying to measure the North since they publish no figures. Conservatively, I would say five or six times as great.

Senator Dixon. Five or six times as great. We have 43,000 plus U.S. troops in South Korea?

General Menetrey. Yes, sir, military personnel.

Senator DIXON. I do not want to get into anything that is classified, but there are a few hundred military advisers in North Korea from, I think, principally from the Soviet Union.

General MENETREY. There are military advisers from the Soviet Union in North Korea. Now there are more technicians than advisers. The North Koreans are perfectly capable with their own armed forces.

Senator DIXON. How many military personnel from any other foreign nation would you say there are in North Korea with the exception of those 200 advisers?

General MENETREY. Sir, they do a considerable arms trade with a number of countries.

Senator DIXON. I did not ask about military personnel there. We have 43,000. How many foreign country representatives are there in North Korea?

General MENETREY. The answer to that, sir, is, one, I do not know, and, two, I can give you some more classified answers on the Soviets. They have very few; let me put it that way.

Senator DIXON. It would not constitute several thousand, would it?

General MENETREY. No, sir, it would not.

Senator DIXON. Our trade situation with Korea last year was that they had a surplus trade arrangement with us, did they not, a balance with us?

General MENETREY. They were surplus with the United States, sir, in the amount of $5.2 billion. That was down considerably, of course, from the previous 2 years.

Senator DIXON. Now with respect to your entire statement, General, it is fair to suggest, is it not, that when you say they have a military personnel advantage over South Korea, their numbers are smaller, South Korea can attend to that, can they not?

General MENETREY. Sir, if you wish to turn the Republic of South Korea into the same type of state as North Korea, I assume you can redress that balance.

Senator DIXON. Do you think it is our responsibility or theirs? That is their nation.

General MENETREY. That is their nation, yes, sir.

Senator DIXON. North Korea has taken the responsibility for having 300,000 more military personnel in the field than South Korea. That is not the responsibility of South Korea?

General MENETREY. No, sir. It depends on the U.S. interests in terms of what we wish in the Republic of Korea.

Senator DIXON. What are the South Korean interests, General?

General MENETREY. Sir, they are concerned with the aggression or the possibility of aggression from the North.

Senator DIXON. Let me suggest this. Let us come back to the surplus. You are aware, are you not, of the fact that we are presently engaged in negotiations with South Korea with respect to coproduction of the F-18?

General MENETREY. Yes, sir.

Senator DIXON. They do not want to buy them off the shelf, do they?

General MENETREY. Sir, they need the aircraft.

Senator Dixon. I understand that, but they do not want to buy them off the shelf, do they?

General Menetrey. No.

Senator Dixon. They want to coproduce——

General Menetrey. As do many other countries, sir, they desire a coproduction agreement. That arrangement is worth maybe $4.2 billion. Maybe $3 billion of that will be spent in the United States. Eighty-eight percent or something like that of the same amount of work as an off-the-shelf purchase would be done here.

Senator Dixon. They want offset arrangements, do they not?

General Menetrey. In the normal manner of these things, they have an offset. It has been agreed to be 30 percent, which is low.

Senator Dixon. Building the plane in Korea, they want that?

General Menetrey. Yes, sir. That is normal in these kinds of arrangements, as you know.

Senator Dixon. Given all those facts, would you think it is an unreasonable thing for Americans to think it is sort of outrageous for us to maintain for decades a standing force of 40,000 plus people in South Korea when the Soviets, the Chinese or anybody else you might regard as any kind of a power in any other part of the world maintains, relatively speaking, none; while our balance of trade with them is a deficit position for the United States of America; and while the population of that country is twice the size and the economic strength is six times the size of their adversary across the line?

Can you understand how Americans may think that is beginning to be after all these decades somewhat absurd?

General Menetrey. Sir, I can understand it. Yes, sir. When you look at it more deeply as to what are the interests of the United States, it becomes more clear. We do provide the stability in that region, and we provide the balance. It is a relatively modest presence, and it has a regional as well as a peninsula orientation.

Senator Dixon. How long would you advocate we stay there in those numbers and with that relative strength?

General Menetrey. Sir, we should advocate that both sides reduce numbers. That is an armed border. It is a very volatile border.

Senator Dixon. Then let me ask you this question, and I do not mean this argumentatively but I would like an answer for the record.

If the North Koreans on their own, spending their own dollars and using their own people, will not reduce, is it your position that the United States should just stay there?

General Menetrey. Sir, as long as there is a threat to peace——

Senator Dixon. That would be your position?

General Menetrey [continuing]. And we have a mutual treaty and we have our responsibilities under the armistice that we signed after the Korean war, then I believe a presence in that area of the world is important, and I would advocate that we maintain that presence, yes, sir.

Senator Dixon. Some of us are beginning to think, General, that our military is beginning to have some kind of a Roman Empire complex with respect to the maintenance of standing forces all over the world.

Is it reasonable to inquire when we can get some cooperation on reducing forces anywhere? Every year we discuss this, and every year they say it is next year. I wonder whether at some point in time there can be a moment when someone would cooperate with us so that we do not have to have a unilateral battle in this committee about when we are going to reduce some of these forces.

General MENETREY. Sir, I can assure you that we have no delusions of being the Holy Roman Empire; at least, I have met no one in that regard.

The status of forces anywhere to include Korea is subject to how you view U.S. interests, it seems to me; not the interests of others, but U.S. interests. We have interests all over the world, and we must be prepared to back up those interests.

Now that equation or that computation will change over time as it has in Korea.

Senator DIXON. It has gone up in Korea, though.

General MENETREY. It has since 1980, sir, but before that it went down significantly, as you know.

Senator DIXON. What was the lowest level ever?

General MENETREY. During the time of 1979, 1980, that was the lowest level.

Senator DIXON. What was the level then?

General MENETREY. A little more than 38,000.

Senator DIXON. That is the lowest it has ever been?

General MENETREY. To my knowledge, sir. I would have to check that, but I think that is correct. Let me make sure that I have that correct. It is to the best I can remember.

Senator DIXON. I will not hold you to that, General. That is a good enough ballpark figure.

So ever since the time when that conflict came to a conclusion, we have never been below, in good or bad times, 38,000 standing personnel there? In all those years the South Koreans did nothing to get their force up to the same number as the North Koreans, to have as many airplanes, tanks and other things. In all of this time, that has not occurred.

When we discuss with them right now F-18 aircraft, they say we do not want to buy them off the shelf, we want to buy them in our country, we want offsets, and we are delighted to have this $6 billion surplus in trade with your country.

There is only one nation in the world, General, stupid enough to go along with that kind of a deal, only one.

General MENETREY. Sir, as I indicated, of all of our allies, Korea has increased their defense budget in percentage terms more than any others by a significant amount. They are taking steps in their own defense, and their capability is increasing. The F-18 agreement is only part of that, but their capability is increasing, and they are taking significant steps in their own defense.

Senator DIXON. Mr. Chairman, I would like to have my prepared statement inserted in the record.

Chairman NUNN. Thank you, Senator Dixon. It is so ordered.

[The prepared statement of Senator Dixon follows:]

PREPARED STATEMENT BY SENATOR ALAN J. DIXON

Mr. Chairman, as I have said recently we are at the beginning of a fundamental debate on the future of U.S. defense policy, not at the end. The major cuts much talked about of late are not an accomplished fact. Freed-up funds do not now exist. Any economic "peace dividend" that results from this process of rethinking U.S. defense policy will likely come gradually, and will probably not be as great as some hope for or anticipate.

This new debate provides an excellent and fortuitous opportunity to address critical national security issues outside the U.S.-Soviet framework that have too long been ignored. No one doubts that the United States continues to be a superpower concerned about maintaining peace and stability in the world. We will not stop needing sufficient Armed Forces. Therefore, I look forward to hearing from today's witnesses, our unified commanders.

Thank you, Mr. Chairman.

Chairman NUNN. Senator Gorton.

Senator GORTON. General, as I remember, there was a time when there were no American troops in South Korea, was there not, in 1950?

General MENETREY. Yes sir, other than a military advisory group.

Senator GORTON. Will you correct me if my memory of history is wrong, that in 1950 the population of South Korea was close to twice the population of North Korea, the economy considerably stronger?

General MENETREY. Yes sir, both of those facts are right.

Senator GORTON. The United States decided that Korea was not within our defense perimeter. The North Koreans attacked South Korea and started a war in which how many Americans were killed and wounded?

General MENETREY. About 54,000 killed.

Senator GORTON. How many Americans have been killed and wounded since the end of the Korean war in Korea?

General MENETREY. Sir, I will have to check that. It has been somewhere less than 100, but there have been a number.

Senator GORTON. Would you describe that as a relatively effective foreign policy in keeping the peace?

General MENETREY. Sir, there is an armistice in Korea, and that armistice has been maintained for 37 years, so in that sense it has been effective in keeping the peace.

Senator GORTON. Thank you, General.

In response to Senator Wirth about conditions in North Korea itself, you expressed the hope that changes in other parts of the world might have some impact on the internal attitudes toward its people of the Government of North Korea. Do you see any evidence of such a change taking place in fact?

General MENETREY. I see no evidence of a change taking place. I do see evidence of fear of change, which indicates, perhaps, that there is word coming through. The propaganda, the external proclamations, the internal kind of announcements all indicate a fear of change. They are tightening up their system. They are controlling their people more, so there are indications that the word is filtering through, but no signs of change externally as yet.

Senator GORTON. Do you feel from your observation that conditions in North Korea have any similarities or parallels to the conditions in Central and Eastern Europe which caused so rapid and dramatic a change during the course of the last year or so?

General Menetrey. That is hard to say, sir. You know, a year ago—I probably join a number of others—I would not have forecast what happened in Eastern Europe. It seemed to happen so rapidly.

I think that could happen elsewhere, including North Korea. There has to be a pent-up emotion and feeling there somewhere, although realizing that the regime up there has been in power constantly, the same individual, the personality cult, the control that has been exhibited, it is like Stalin never died. He is still there. It is going to be more difficult, but when it happens, it might happen quickly.

Senator Gorton. Admiral, you devoted some of your written testimony to the Philippines and to American presence in the Philippines. What are the advantages to the Philippine Republic of our presence there?

Admiral Hardisty. I think the advantages are great, Senator. Our military presence there provides an economic input in real hard cash in between $550 and $600 million a year.

Indirectly, we provide for the external security, or any threat there might be externally to the Philippines through our mutual defense treaty, which allows them to divert their armed forces and resources toward the internal problems and the insurgency.

The perception, or the reality, of our presence among our friends in ASEAN, and also our friends in Northeast Asia, is important. We provide a stabilizing influence in the Philippine democratic process. The U.S. presence also gives foreign investors a sense of security in regard to their investments. The U.S. presence and support to the Philippines provides for economic stability.

Senator Gorton. Given all of those advantages to the Philippine Republic, is there any rationale for the United States to be willing to increase the contribution that it makes to the Philippines either directly or independently for a continuation of those leases?

Admiral Hardisty. I think we are about maxed out, at our current level in direct compensation for the U.S. presence there. I think economic support, whether we are there or not, should continue.

We want a stable Philippines, we want a democratic Philippines, and we want a Philippines with its tremendous potential which is yet to be realized. The Philippines could become a fifth tiger, if you will, in Southeast Asia. It has not happened. It could happen with a lot of economic help and economic development.

I think for the Free world and for the democratic principles and ideals, and because of our longstanding relation with the Philippines, economic support and indirect ways of providing help to the Philippines are necessary. Indirect kinds of compensation such as the multinational aid agreement, waiver of the Berry amendment, more joint use of the facilities, those type of initiatives are the things that we ought to do. I believe we are about maxed out at our current level on direct compensation.

Senator Gorton. Well, if we are to assume, in spite of this rationale, a freely-elected government of the Philippines either desires us to leave, or places impossible or unreasonable conditions on our staying, what kinds of alternatives are you studying for the Western Pacific, and what are their advantages and disadvantages?

Admiral Hardisty. We have submitted the Executive Summary of the Philippine Bases Relocation Study to Congress, Senator. Some of the things that you have asked me as regards to location cost and so forth are classified. There are alternatives to relocating from the Philippines. If we are asked to leave next year, per the treaty we would have to leave in 1 year.

We have a plan to leave the Philippines in 1 year. We have the time lines, the relocation identified. These alternatives are not as strategically located as the Philippines, but they are fall-back positions.

We can still make our commitments from these other locations. It would cost us a little more in operating funds, a little more time at sea a little more staying power to stay on station, but we can do it and would do it to meet our commitments.

Senator Gorton. Thank you, Mr. Chairman.

Chairman Nunn. Thank you, Senator Gorton. Next on my list is Senator Coats, then Senator Thurmond, and then Senator Warner, unless somebody comes in on this side.

Senator Coats. Thank you, Mr. Chairman.

General Menetrey, you in your statement have outlined more than a page-and-a-half assessment of the threat from North Korea as you currently understand it, and it is a long list, and it does not really indicate any lessening of threat. My question is, are there any exceptions to that list? Are there any signs of change in terms of that threat that you have been able to assess in North Korea, particularly in the past year or so?

General Menetrey. No, sir. As far as we have been able to tell, the North embarked on an improvement program 10 to 12 years ago and have continued on that program ever since. There have been no deviations from that. They are just completing some of their forward air fields and so on. We have seen no particular change. It has not been a dramatic build-up, but it has been a slow, steady one over a long period of time.

Senator Coats. Has there been any change in the relationship between North Korea and the People's Republic of China?

General Menetrey. Kim Il Sung, the leader of North Korea, went to Beijing a few months ago and as best we can tell, seeking to establish a solidarity in the face of change in the rest of the Communist world. The People's Republic of China, we think, has always been a restraining influence on North Korea, and I think they remain that today.

But ideologically, in terms of the purity of the Socialism and so on, they are seeking to be closer together. So that relationship has grown more close, but I have not seen it in a military sense, but only in an ideological, government sense.

I do not know where that is going to go, because I also believe there will be change within the People's Republic of China, sooner or later, as well as in North Korea.

Senator Coats. What would you speculate the effect of Kim Il Sung's death would have on the climate in North Korea and its threat to South Korea?

General **Menetrey**. The reason I am smiling, sir, is because I do not know how many times we ask our intelligence analysts the same thing, and I get a variety of answers.

But in any event, it would be a dramatic change. As you know, his son is allegedly going to succeed him in a rather unique arrangement for a Communist country, but whether that will be effective or not, whether his son has the ability and the following amongst the North's hierarchy is subject to much speculation.

I think there would be a power struggle of some kind that goes on within that regime. The outcome of it, though, is beyond my crystal ball right now.

Senator **Coats**. It is your counsel and advice, then, that we maintain our current relationship with the Republic of Korea and current military posture in South Korea until such time as those changes indicate that the threat has changed? Is that an accurate summary?

General **Menetrey**. Sir, I think we should maintain our commitment. Now, our posture in terms of force levels and so on is subject to change. That depends on a number of factors. It has changed over the years, and I am sure will continue to change. I am just saying we should do that in consultation with the Republic of Korea.

I anticipate, as a matter of fact, some change, but that is not unusual, you know. It is a function of the normal operating condition in such an alliance. The Republic of Korea is getting stronger and they are better able to maintain a deterrence on their own than they were a few years ago, and I should think that would continue.

But it depends. There are two sides to this. There is the other side as well as our side. It depends on the degree of Soviet assistance to the North, perhaps. It depends on whether the North continues to expand and to build their military instrument. But my assessment is that we can modify our force levels over time in the Republic of Korea in consultation with our good allies.

Senator **Coats**. What would you anticipate would be the response of the North Koreans if we, say, entered into a 50-percent unilateral troop reduction of presence in South Korea?

General **Menetrey**. One of the great goals of North Korea explained many times and proclaimed many times is the withdrawal of U.S. forces from Korea. So, if we withdrew any number, they would only say it is about time and cheer.

Senator **Coats**. Would you anticipate any kind of military response?

General **Menetrey**. Not unless we negotiated one. Not unless we made it as a condition of the withdrawal, which so far we have been unable to do because there have been no talks that have borne fruit at all.

Senator **Coats**. But would you anticipate any type of heightened threat from North Korea if the United States were, say, to announce a 50-percent troop reduction over the next year or so?

General **Menetrey**. I would expect a heightened threat, yes, sir. Whether that translates into conflict is subject to speculation. It certainly would demonstrate, I think, to those in the North that we have less will to maintain the alliance, but whether that translates to any kind of attack would be difficult to say. It is just speculation, increased risk, yes.

Senator **Coats**. Admiral Hardisty, do you ask your intelligence people what they think might happen if Kim Il Sung were to die?

Admiral **Hardisty**. I certainly do, Senator, and get the same answer as General Menetrey. You probably saw me smile when he made his remarks. It is very difficult. They are a very closed society, and we do not get in there often. Some of our academicians get in there occasionally, and get a view of just how closed that society is.

I agree with General Menetrey's assessment. I do think there would be a power struggle soon after the succession, and the outcome of that is unclear. I do not think Kim Il Sung's son has the support that his father does. He will succeed his father, but there is speculation that there might be a change soon thereafter.

Senator **Coats**. I guess the ultimate question is whether we are able to assess or determine if those same factors that were present in East Europe and certain of the republics of the Soviet Union relative to desire for change and new direction for their nations are present in North Korea, and I do not know the answer to that. Maybe you do not either.

There is a difficulty in assessing that, but I think it is a legitimate question to ask whether those same kind of changes, internal changes, perhaps not manifested externally, are taking place.

General **Menetrey**. I think those are human feelings that are being expressed amongst other things, so in that sense the same kind of feelings must be present in North Korea, but they are certainly more suppressed there than they are elsewhere. It is a very effective police state, after all.

So, it is going to take more time, perhaps, but the same thing of being firm in the face of that will eventually draw out those changes, I believe. It is just the fact that they are human beings.

Senator **Coats**. Thank you, Mr. Chairman.

Senator **Wirth** [presiding]. Senator Thurmond.

Senator **Thurmond**. Thank you very much, Mr. Chairman.

Admiral Hardisty, I posed this question to Admiral Kelso yesterday and now would like to get your reaction.

The Soviet Union has suggested that it and the United States enter negotiations on naval disarmament. Although we may reduce some of our naval force structure and possibly even some of the ship-borne nuclear weapons, I believe our naval arms policy should not be tied to events in Europe or the Far East but to our status as a maritime nation.

Would you give us your perspective on the implication of entering into negotiations with the Soviet Union on naval arms reductions?

Admiral **Hardisty**. Senator, I could not agree with you more. We are a maritime nation. We always have been a maritime nation. We want to continue to be a world power. We have economic and security interests worldwide.

Our national objectives are enduring. We want peace and prosperity throughout the world. We want economic security. We want to be a role model and support emerging democracies, and protect human rights.

If we want to do all those things, we need a strong navy and a navy that is a superior navy because of the worldwide commitments that we have. It does not favor us to enter naval arms control.

The Soviet lines of communication are land lines. Our lines of communication with our allies are sea lines of communications. It is apples and oranges. Our naval forces are not a threat to the Soviet Union because we do not have the wrong intentions against the Soviet Union or any peaceful nation.

Those naval forces are to protect our own interests. I do not think we should trade naval forces away. I do not think we have enough naval forces today that we could trade them away and still protect our worldwide interests.

Senator **Thurmond**. Admiral Hardisty, what equipment, weapons and ammunition shortages in the Pacific Command impact most significantly on your readiness and sustainability?

Admiral **Hardisty**. Senator Thurmond, threat-oriented munitions in the sustainability and readiness area are one of the key shortfalls. Congress and the military put a lot into those areas over the years, but sustainability is down. I think you will see that continue in the 1991 budget.

Those shortfalls, however, do not mean that we do not have sufficient level of effort ordnance to fight with.

Other shortfalls that affect readiness, Senator, flying hours and steaming hours are fully funded. We have some equipment shortfalls. In a global conflict strategic lift would be a problem. However, that shortage in my AOR is not as significant as it would be if we had to reinforce Europe.

Senator **Thurmond**. Admiral Hardisty, on January 25 Dr. Nishihara, Professor of International Relations, National Defense Academy of Japan testified that the Soviets have expressed their interest in discussing naval arms control for the Pacific with Japan. He indicated that the United States and Japan need to consult closely on this issue and reach a common position so that the Soviets cannot drive a wedge between the United States and Japan.

I want to ask you this: Has there been any discussion between the United States and Japan on naval disarmament and have we reached any consensus on the issue?

Admiral **Hardisty**. There have been some discussions, Senator. Those discussions have not been made public. We are looking at potential Soviet overtures and how they should be responded to.

There is a continued focus on that issue. Certainly we will consult with Japan. Japan is an island nation, too, depending upon the sea lanes of communication even more than the United States for their vital raw materials and to keep their nation going. We are the two strongest economic powers in the world and together account for 40 percent of the world's gross national product, and continued economic success for both depends upon secure maritime sea lines of communication.

We should consult and have a mutual position on naval arms control. I feel confident that that will happen.

Senator **Thurmond**. General Menetrey, a December 20, 1989 article in the Washington Post indicated that a Department of Defense review concluded that the United States could make major reductions in its troop strength in South Korea. The article indicated that the Army could reduce its combat strength to one brigade and associated support groups.

Are you aware of this study and do you agree with the conclusions?

General MENETREY. I am aware of the study, and I did not agree with the conclusions, sir.

Senator THURMOND. General Menetrey, because of the increased warning time in Europe, several witnesses have indicated that fast sealift would be the primary means to move reinforcements to Europe.

Your command does not enjoy this increased warning time, and I assume could not rely on fast sealift to move the necessary reinforcements.

Based on the assumption that your initial reinforcing troops would come by air, what would be the impact if this Congress terminated the C–17 program?

General MENETREY. Sir, as Admiral Hardisty mentioned, the sealift and the airlift are critical to any overseas deployment. The C-17 would provide an increased capability, particularly in a region as far away from the continental United States as is Korea.

And you are also quite correct that sealift would take a long time to get there. But nevertheless as is the case anywhere, sealift is necessary for any heavy sustainment, any prolonged sustainment of any conventional conflict of any size. Airlift cannot do it alone.

But the C–17 is one of those instruments of airlift that is necessary to reinforce an area far from our shores. So, it would have a significant impact, sir.

Senator THURMOND. General Menetrey, I just have one more question. I understand that there is consideration being given to changing the Commander of the U.S. Republic of Korea Combined Forces Command from a U.S. General to a Korean. What is the status of this plan and will it allow the Koreans to assume a greater authority in their defense?

General MENETREY. Sir, there are several matters under consideration to change the command relationships within the Combined Forces Command. It has been suggested a couple of times that consideration be given to having a Korean commander of the Combined Forces Command, either rotating or otherwise.

It is not now, though, under active consideration. But we are in consultation with the Korean Government, and within our own command, on how best to have the command relationships.

But a change in the nationality of the combined forces commander is not currently being considered.

Amongst other things, you have the related United Nations Command and the maintenance of the armistice to consider. So that is a more complicated issue than just the nationality of that commander.

Senator THURMOND. Mr. Chairman, at this time I would like to have my prepared statement made a part of the record. I thank you both for your presence and for your contribution to this hearing.

General MENETREY. Thank you, sir.

Chairman **Nunn** [presiding]. Thank you very much, Senator Thurmond. Your statement will be made a part of the record.

[The prepared statement of Senator Thurmond follows:]

Prepared Statement by Senator Strom Thurmond

Thank you, Mr. Chairman: I want to join you in welcoming Admiral Hardisty and General Menetrey to this posture hearing on their commands.

Mr. Chairman, during the past 2 weeks we have been captivated by testimony on the end of the "Cold War" in Europe. Our euphoria was, however, brought back to reality by Dr. Nishihara's testimony that the "Cold War" in Asia was still firmly in tact.

Last June's repression of the democracy movement in China and the continued irrational actions by the leadership in North Korea lend credence to the President's cautious approach to defense reductions. We must remember that although the Soviet threat may have diminished, there are others who are capable of creating turmoil in the world.

I believe now that tensions in Europe have diminished, we have the opportunity to focus on those areas of the world represented by Admiral Hardisty's and General Menetrey's commands. We should not relax our efforts in behalf of World Peace until the "Cold War" in Asia is also brought to an end.

Thank you, Mr. Chairman.

Senator **Nunn**. Senator Levin.

Senator **Levin**. Good morning to both of you, and welcome.

Picking up on Senator Thurmond's question relative to the command of Korean forces in peacetime, was there not some active discussion about having a Korean commander in command of those forces a few months ago?

General **Menetrey**. Yes, sir, and there are still active discussions. What we are discussing now is something called a ground component command. In other words, my current position is as Combined Forces Command Commander, CINC CFC, and also Commander of the ground forces of CFC, and we are discussing forming a separate ground component command with a Korean officer in charge.

Senator **Levin**. And those discussions have been taking place now for some months?

General **Menetrey**. Yes, sir, they are continuing, and I am sure will continue this year and up and to our annual meeting with the SECDEF and the Minister of National Defense of the Republic of Korea, which is this year, scheduled for October.

Senator **Levin**. Did the Koreans propose that?

General **Menetrey**. No, sir. It was one of the proposals—we did a study on ourselves. The Combined Forces Command did a study on itself. And it was one of those proposals that we made in conjunction with that study. But it is not a common topic of conversation. Several people have discussed it and proposed it.

Senator **Levin**. Is it something that we would support? And what is the problem in doing that? It seems to me, otherwise, the Koreans are perceived as something of a junior partner in this partnership if their own land-based forces are not commanded by one of their own generals. There is some real sensitivity, and you and I have spoken about this at some length.

What is the difficulty in making that change? This does not change the CFC command, it just changes the component relative to the ground forces, and they are all Koreans anyway in that component. Why not have a Korean general and get on with it?

General MENETREY. Sir, I know that this committee does not have the time for me to discourse on this kind of military question.

Senator LEVIN. If I can interrupt you, General, it is very much of a political question in Korea.

General MENETREY. Yes, sir. I will get to that.

Senator LEVIN. There is a lot of sensitivity on this issue. They view themselves sometimes as a junior partner in this relationship. And one way to have the partnership be more equal is to have a Korean general in command of those ground forces which are Korean.

General MENETREY. Yes, sir.

Senator LEVIN. It is not just a military question.

General MENETREY. No. But I am wearing the uniform, and my responsibility is to defend that outfit.

But, anyway, the same reason that General Eisenhower did not have a ground component command in Europe in World War II. And that is the basic military question.

The political question, though, and all other things considered, all of the things that you know about and everybody else does, I am not opposed to that. I am not opposed to a separate ground component command, commanded by a Korean officer. And we are actively discussing that issue.

Senator LEVIN. We are not opposed and they are not opposed, I presume, or are they?

General MENETREY. Well, the Republic of Korea is also discussing another reorganization of their services to make it a more unified kind of arrangement. They want to unify the services with a different command relationship than they have now. And it is caught up within that same kind of consideration.

Senator LEVIN. What kind of timetable could you predict for a resolution of this issue?

General MENETREY. Within this year.

Senator LEVIN. Admiral, the question of Japan's defense responsibility has been before us, and you have been into that issue for a long time now. How important is it to have the Japanese defend sea lanes out to 1,000 miles?

Admiral HARDISTY. I think it is very important, from their own point of view, of having that capability, since they are a maritime nation, and certainly have interests even well beyond the 1,000 miles.

Asking them to defend out to 1,000 miles is in consonance with the self-defense of Japan. It is in consonance with their constitution.

It certainly helps out part of the mutual responsibility to defend Japan under the treaty. They have a strong navy that continues to improve. They are in the process of developing a very good capability to do just that. That is what we have asked them to do.

I think it is very important. It frees up my 7th Fleet forces and other forces to operate elsewhere. It also provides a degree of stability and security in the region, sir.

Senator LEVIN. Do you believe Japan is doing enough?

Admiral HARDISTY. No, sir.

Senator LEVIN. And what kind of timetable is that defense of sea lanes on? Do you believe that by the end of this decade and century that they will have that capability?

Admiral HARDISTY. Yes, I do; with the next Five-Year Defense Plan. They have a good capability now. They certainly have the capability to go out to the 1,000 in numbers. Sustainability will be better after the next Five-Year Defense Plan.

Senator LEVIN. When does that end? Is that in 1995?

Admiral HARDISTY. This Five-Year Defense Plan ends with this budget, so if there is a new 5-year plan it would be 1991 to 1996.

Senator LEVIN. 1996?

Admiral HARDISTY. Yes, sir.

Senator LEVIN. They apparently had an increase in defense spending in this year's budget?

Admiral HARDISTY. Yes, sir. It is a little less than 1 percent ofy their gross national product.

Senator LEVIN. But they are still under 1 percent?

Admiral HARDISTY. Just barely under 1 percent. But I do not think you ought to say Japan should have more than 1 percent of the GNP. I think their defense budget ought to be based on roles and missions. And based on their roles and mission, they are now the third largest defense spender in the world. They just pulled into number three with this last defense budget.

Senator LEVIN. The fact is though, they still have not cracked the 1-percent barrier?

Admiral HARDISTY. They have cracked it before, but they did not crack it this time because the GNP has gone up, so the percentage went down a little bit, Senator.

Senator LEVIN. They are back under it again?

Admiral HARDISTY. Right.

And if I may correct my response, when you asked me if I think Japan is not doing enough, I meant they are not doing enough in support of the presence of our troops there. I mean responsibility sharing.

In regard to their defense budget and what we have asked them to do, they are on track. They have had a good track record for 12 years.

Senator LEVIN. Thank you. We appreciate the work that both of you do. We have worked closely with you and think you do a very, very fine job out there.

Thank you.

Chairman NUNN. Thank you, Senator Levin. Senator Warner.

Senator WARNER. Thank you, Mr. Chairman.

Gentlemen, first, I would like to acknowledge that we, as citizens of our country, are grateful to you. You have had long and distinguished careers. And you have fulfilled your current posts with great distinction and professionalism.

Having said that, I will just give you one man's view. It is just a question of who is going to take the initiative on the reduction of forces, be it the Congress or the executive branch. And also, who is going to take the initiative on the changing of the command out there, the Congress or the executive branch, in South Korea.

I hope it is the Commander in Chief, the President, who takes the initiative. And I hope that we visit that decisionmaking process very shortly, so that it can be incorporated in an orderly manner in the authorization and appropriation process in this Congress.

I say that because I am firmly a believer in the doctrine of forward deployment. And we have substantial troops in Alaska, Hawaii, and Marines in Okinawa, and troops in South Korea. And I am wondering what are the contingencies that we could foresee that would require such substantial numbers of ground troops, Admiral Hardisty, first you, in the Pacific rim region?

Admiral HARDISTY. Well, I think we have covered Korea adequately, Senator Warner, with some modifications or adjustments, which General Menetrey indicated we can do, and those are under review. And of course we owe a response.

Senator WARNER. I understand that.

Admiral HARDISTY. But elsewhere, the Marines are my only forcible entry capability throughout a region that is 50 percent of the world.

Senator WARNER. Where are we going to force ourselves in? What are the contingencies out there?

Admiral HARDISTY. The contingency would be evacuation, if you will, of U.S. Embassies. We almost had to do that in Burma last year. I had to have an Amphibious Ready Group with an Embarked Marine Expeditionary Unit there, if I had to go in forcibly, under fire and remove our people.

That is the type of contingency I am thinking of. There could be other crises where we might want to introduce Marines.

As you know, Senator, we have used naval and marine forces—our military forces—in 277 crises since World War II.

Senator WARNER. But wait a minute, Admiral. Hold everything.

Admiral HARDISTY. All right, sir.

Senator WARNER. You and I have been around a long time. And I was one of the original authors of that, how many crises we have been into. And let us get down to a few more specifics. And I am privileged to have served in the Marines in Korea in 1951 and 1952 in a very modest capacity, so I have a little investment in that piece of real estate myself.

But I want to know what are the contingencies? I have got to answer this question on the floor of the U.S. Senate, because it is going to be raised. And when you look at it, and I wish I had the exact TO strength here—well, let us take it. What have you got in Alaska—ground troops?

Admiral HARDISTY. The 6th Light Infantry Division, that is about 9,000, sir.

Senator WARNER. All right, 9,000.

Hawaii?

Admiral HARDISTY. Hawaii, with the support that I have there—we have 59,000.

Senator WARNER. General, you can pitch in on these.

Admiral HARDISTY. Yes, you can pitch in.

General MENETREY. We have about 20,000, when you get all counted.

Senator WARNER. Twenty thousand in Hawaii.

General MENETREY. The Marines?

Senator WARNER. Marines?

Admiral HARDISTY. Marines, 20,512 in Okinawa.

Senator **Warner**. Twenty thousand five hundred.

And South Korea, 44,000, I think that is the figure we have been using?

General **Menetrey**. Yes, sir, just under that.

Senator **Warner**. Well, that is a very formidable total of forces there. And the American taxpayer is going to ask members of the Senate Armed Services Committee, what are the contingencies for which we have got that substantial investment in a forward-deployed posture? And I would like to have that answer.

Admiral **Hardisty**. The contingency would be a threat to U.S. economic interests or a threat to U.S. lives in the area, Senator.

We are probably not forcibly going to go into Cambodia or Vietnam, but the forward presence provides access and influence. If you leave those bases and those places, you are not going to get back in there again. I think that is very important.

Senator **Warner**. I understand that. And I support you on that.

Admiral **Hardisty**. Yes, sir.

Senator **Warner**. Believe me, I am a supporter.

Admiral **Hardisty**. I know that, Senator.

Senator **Warner**. I need some documentation, because in the questions that are coming to us out of Europe, there is a very clear understanding of a diminishing, a receding of the threat in Europe.

And the President has quite properly made a tough judgment call, and I am going to support him, and I hope that is the floor. Because I happen to believe that Europe is very unstable, our presence is needed, and the President's figure of 195,000 I think is certainly one we should adhere to, hopefully, on a bipartisan basis for the foreseeable future.

But that translates into the Pacific. The receding threat is perhaps not as dramatic. You know the Soviets are not doing the out-of-area naval operations they have done in years past. Am I not correct?

Admiral **Hardisty**. That is correct, Senator.

Senator **Warner**. I do not know of any belligerent landmass force ready to attack any of our interests. The Embassy situation is a special one, and you are absolutely right, you need Marines there for that.

But I am just adding these figures up, and that question is going to be asked.

General, how would you respond? You are on the floor of the U.S. Senate now, and you are answering to the taxpayers.

General **Menetrey**. Yes sir. We have been notoriously poor in predicting where we are going to use armed force, and it is not a peaceful world, as you have pointed out so well.

Senator **Warner**. I understand that, but you also point to every country, perhaps with the exception of North Korea—I wish our intelligence there were a little tighter, but we still think there is maybe a million of them there. Is that about the figure you are using now?

General **Menetrey**. Roughly a million in their active service, in their armed services, yes, sir.

Senator **Warner**. Well, that is a very formidable land army, but where else is there anything comparable to that?

General **Menetrey**. There are a lot of big land armies there, sir. It is a question of whether you think you would be engaged with them.

Senator **Warner**. Where are they?

General **Menetrey**. Well, Vietnam has a very large land army, as you know. North Korea you have mentioned. They are larger than the U.S. Army, and obviously the whole rim land of the Pacific is teeming with armies and arms.

Senator **Warner**. Let us be more specific. Where is this rim teeming with armies? Where are they?

General **Menetrey**. Well, in my little area of the world, sir, there is a couple of people called the Soviet Union and the Chinese.

Senator **Warner**. The Soviet Union is a special category, and it seems to me great progress is being made by our President, Mr. Gorbachev and others, and I certainly have been right here in the hearings defending the President's policy. They still have the largest conventional force in the world, and we cannot dismiss that.

But again, in terms of a belligerent operation between land armies of the United States and the Soviet Army, I think there has been a receding of that threat in Europe as well as the Pacific. Would you agree on that?

General **Menetrey**. Yes, sir.

Senator **Warner**. So we are back again, adding up these figures, as to justifying them. Anything further?

General **Menetrey**. No, sir. If I could predict exactly where we are going to get into conflict next I could be in a different business.

Senator **Warner**. Mr. Chairman, my time is up, but we are going to have to revisit this question and come up with a good, tough answer. I think there will be some cuts, but I just do not want a very big slash in this force structure out there.

Admiral **Hardisty**. I do not think we should have one, Senator, and we will be working on that with you.

Senator **Warner**. This place works on logic and facts.

Admiral **Hardisty**. Understood, sir.

Senator **Warner**. An actual, what is that threat?

Chairman **Nunn**. With an occasional injection of emotion and politics.

Senator **Warner**. That is where you and I come in. We are unemotional and very steady.

Chairman **Nunn**. You are describing this committee. You are absolutely correct. Senator Exon.

Senator **Exon**. Mr. Chairman, thank you. Gentlemen, welcome. We are honored that you came in for these assessment hearings, and I think from time to time we pay far too little attention to the Pacific. You are experts in that area, you do an outstanding job, and I thank you again, as others have, for being here.

I have a few questions I would like to clear up. First, when was the last time either of you were at Clark Air Force Base in the Philippines?

Admiral **Hardisty**. About a month ago. No, 2 months ago, Senator.

Senator **Exon**. Have you been there in the last year, General?

General **Menetrey**. No sir, I have not.

Senator EXON. Tell me, Admiral, what is the security situation at Clark? I was there a couple of years ago and was very disturbed at what I saw. There were no fences around the facility, the people in the shack villages were pasturing their goats across the road on the base.

I understand that due to my visit, or in spite of it, some measures have been taken. Have you looked at the security of that facility, and have we now at least erected significant fences—as I understand, cement blocks, to the point where the base is much more secure and not open to guerrilla attack, as I was fearful it was at that time?

Admiral HARDISTY. Yes, sir. Your visit made a great deal of difference, Senator, and there have been significant improvements both at Subic and at Clark in security since your visit.

The new wall is in at Clark. I have walked it. I have flown over it. It was completed a little over a year ago, on my first visit to the Philippines as CINCPAC.

Security at Clark is very good today. The fences are up. They are being maintained. Because of increased threat to our people the security force, both Philippine and U.S. military, have increased. We have 215 military policemen now at Clark that we did not have on the day that you were there.

Those kinds of things have continued apace both at Subic and at Clark. The Armed Forces of the Philippines have recently increased their security because of a potential NPA threat. They put an extra battalion around the perimeter of Clark, in the village area where the scavengers come across.

We have not been as successful in relocating the squatters, but that is an on-going negotiation. We thought we had it settled in the 1989 agreement, but the funding for that is still under consideration between the United States and Philippine Government. We have a relocation plan and both the Armed Forces of the Philippines and our military and both governments recognize the need to relocate these people. We have a good plan to do that. I am hopeful that we will get that going within the next year, sir.

Senator EXON. Admiral, thank you. That is a very encouraging report, and I am glad to hear it first-hand.

What about outside? We have had no repetition, as far as I know, with Angeles. You remember, I think maybe a month or so before I was there, we had the shootings. Have things settled down, and have the guerrilla threats in Angeles gone down?

Admiral HARDISTY. In my opinion, it is not going down, Senator. We have had no more U.S. killings in the Angeles area, but there have been a number of NPA, or alleged NPA Communist Party assassinations of the Philippine Constabulary in Angeles.

We did have two Americans who were killed on the back road from Clark to Camp O'Donnell. We think that was a mistake. We think they were after different people. There was a convoy on that road and we believe they hit the wrong car, or wrong vehicle, but nevertheless two Americans were killed.

That is still outside of Clark proper. The threat to our people is significant and we watch it very closely. The threat is always there and I do not think it is diminished.

Senator Exon. I am very pleased to hear, with that report, that at least we have better secured Clark, which when I was there frankly I was astonished to see what I did.

Let us jump over to North Korea a little bit. General, can you give us—without repeating a lot of testimony—an assessment of the political situation between North and South Korea today?

What about the student and other demonstrations? Seemingly, the people of South Korea want to go freely up into North Korea. I do not know whether that is good, bad or indifferent.

I have been there. I have been up to the line and have some idea of the situation. Are there any signals that the North Koreans are moving from their extremely stiff posture? I guess the good news was that the Olympic Games were successful in South Korea without incident.

What is the general posture over there now, with regard to relationships between individual citizens between North and South Korea, and what is the posture of the North Korean Government and their military forces? Are they as hostile as ever?

General Menetrey. Sir, there was reason a few weeks ago to hope that perhaps these talks between North and South were going to reach some fruit. They were talking at four different levels: Red Cross, sports, parliamentarian, and preparation to a high level meeting.

More recently, it appears the North has pulled back from that. They were about to agree on a joint sports team to the Asian Games, but it looks like that will not occur now. There is no contact between North and South on an individual basis. The North is a closed society. That has not changed.

The real problem, I think, is that they fail to recognize the Republic of Korea as a sovereign nation and are not dealing with the leadership of the Republic of Korea, even though it is freely elected and so on, as we understand it. But they cannot do that and maintain the image they have of representing the whole of Korea and wishing to unite the whole of Korea under their own rule, and until that happens we are not going to have much progress.

Senator Exon. Why was it that South Korea did not let those students that wanted to go up into North Korea go? Were they afraid for their safety? Were they afraid of infiltration when they came back down? I never did quite understand it. I did not know why they wanted to go up there in the first place, but if they wanted to go, why did the South Koreans not let them go?

General Menetrey. It was my advice that anybody that wants to go up there, they ought to let go up there, but there you have a law, if you will, that restricts people from moving up North, and the individuals who went violated the law, for which they have now been tried and sentenced. But that was the basic thing. They were individuals going on their own recognizance and representing groups that were unofficial, at best.

Senator Exon. There has been no desire on behalf of North Korean citizens to come down into South Korea?

General Menetrey. Oh, I am sure there is a lot of desire for North Korean citizens to come into the Republic of Korea, sir, but they are forbidden to do so.

Senator EXON. Thank you. My time is up, Mr. Chairman. Thank you, gentlemen.

Chairman NUNN. Thank you, Senator Exon. Let me ask a couple of questions on the second round, here.

Number one, to Admiral Hardisty. What about military assistance in your region? How are you faring in the budget now, compared to your needs in terms of military assistance, and where are the top priorities that are going unfilled?

Admiral HARDISTY. Our best effort was not made in the Philippines, as you are well aware, Senator Nunn. I think that is very important.

Chairman NUNN. How far short did we fall?

Admiral HARDISTY. $96 million. That is a combination of military assistance and economic assistance, sir. In Thailand we got some money, but not what we had asked for. Thailand is a very important partner and security assistance there has continually gone down.

Chairman NUNN. Do they need it? Does Thailand really need it? They are doing pretty well economically.

Admiral HARDISTY. They are doing pretty well economically. I think our commitment to them as a good friend and a good ally should include the military assistance.

They have now turned to China for some equipment and ammunition, and that is going to compound logistic issues. But if we have to fight together we have a joint munitions program and stockpile with them. They have turned to China because we have reduced our security assistance and their prices are cheaper. It was not a lot of money.

The IMET program has also been reduced—that it a very important one, but it has been reduced less than security assistance broadly throughout my region. So our International Military Education and Training program, Senator Nunn, has had relatively good funding success in this austere security assistance climate.

There are other areas where small amounts of money would go a long way, such as in the South Pacific and the smaller nations. I was most disappointed that we could not provide a little more for Thailand and the Philippines.

Chairman NUNN. How do you assess the strength of the Aquino government in the wake of the coup attempt of 1989?

Admiral HARDISTY. I certainly do not assess it as being weaker or stronger than it was before, Senator. The armed forces did rally around Ms. Aquino. The coup certainly has its down side. There are significant problems that need to be taken care of which I hope Ms. Aquino and the leadership of the armed forces of the Philippines recognizes. Those problems are both within the government and within the military.

Chairman NUNN. Did our military assistance to the Aquino government during the coup attempt help or hurt our chances to continue to use military facilities in the Philippines after 1991?

Admiral HARDISTY. I think that is kind of a wash, Senator. I think on behalf of the loyal people in the armed forces of the Philippines and the government, it was much appreciated but not highly publicized because it is a proud nation and a proud government and they do not want to say that the only reason they survived was because of the United States. They might have survived anyway. Our assistance was helpful. I think that is acknowledged.

In the case of those who were in opposition to the democratically elected government, our assistance was looked at a little bit on the down side. Broadly, though, with surveys since the latest coup in regard to U.S. presence in the Philippines, the numbers are still very high. Those are Filipino polls, not our own.

Chairman Nunn. Admiral, you identified the counternarcotics effort as the Pacific Command's number one peacetime priority. How are you using your military forces in the antinarcotics area, and from where is the most traffic coming in your region? What kind of narcotics is it, and from where is it coming?

Admiral Hardisty. Well, in my region it is mostly heroin which comes out of the Golden Triangle. That is coming across the Pacific, Northern Pacific, Central Pacific, Southern Pacific, depending upon the time of year and the routes, Senator Nunn.

I have a unique situation. It is estimated that in regard to mother ships, which are the large carriers of mainly marijuana but other drugs as well there are 12 to 100 of those ships per year that transit the Pacific. On any one day I have 5,000 ships in the Pacific Ocean, so I have quite a job in surveillance and detection without having the intelligence to track those ships or to track those mother ships when they disburse to smaller ships and offload to get it on shore.

We are working on our intelligence fusion and our intelligence cuing. We are working very closely with our country teams overseas as well as host nation governments and with our law enforcement officials. Broadly off the west coast of the United States we assist all the data banks of law enforcement agencies by providing surveillance and tracking with ships and aircraft.

Those ships are dedicated. I have four ships dedicated at all times to counternarcotics. They are either active or on standby. I have P-3 aircraft and other aircraft on alert, on call and actively engaged. We have increased our flying hours, steaming days, and the surveillance and tracking missions significantly.

I will be the first to admit that our success rate has not been high on interdiction to date. There have been some new interpretations of the laws pertaining to signals, communications and intercept. They will be a significant step forward in interdicting and surveilling drug runners.

Chairman Nunn. Is it fair to say that your success on interdiction almost is completely dependent on intelligence or blind luck?

Admiral Hardisty. Yes, sir. That is right on the mark. It is dependent upon intelligence or, again, hunting for a needle in the haystack with 5,000 ships per day and only 12 to 100 dedicated smuggling ships per year. There are estimated to be 10 to 20 ships per day in the Caribbean running drugs. The number of ships per day in the Caribbean, I believe, is about 2,200.

So with choke points and that kind of focus, you would have a high incidence or higher likelihood of intercept.

On the other hand, with changing patterns it is quite possible and likely that we will see more cocaine coming out of South America, coming up the west coast of Mexico or coming through Mexico. As you know, we now have JTF-6 which runs the Mexican border. I have JTF–5 on the west coast. Admiral Kelso has JTF–4. Those joint task forces are focused toward South America. We are looking very closely at the traffic patterns and looking at the possibility of more drugs coming up the west coast routes.

I am prepared and have worked out support for the Atlantic Fleet if needed for that effort as well, Senator.

Chairman **Nunn**. Thank you, Admiral.

Just one final question from me. I do not think you mentioned Goldwater-Nichols in your statement. How is it working in your command?

Admiral **Hardisty**. From my point of view, Senator, it is working very well. I am involved in the resource process today, as you know. I am involved in programming and planning the budget.

In regard to budget I am funded for my operations and maintenance by the Navy, as is Admiral Kelso. Army commanders are funded by the Army; Air Force commanders are funded by the Air Force. In that area, I have said that I would like to have my own budget. I do not mean my budget for programming or anything else, but for my operations and maintenance it would give me more flexibility to run my headquarters and my day-to-day responsibilities. I would like to have my own budget.

Chairman **Nunn**. Does the Navy have leverage over you because they furnish your basic wherewithal to operate? Do they ever come in and say we do not like this, we are going to cut off your telephones or anything like that?

Admiral **Hardisty**. No, they do not do that, but they say we are out of money, and I say I need my share. We have go-arounds about that.

They do not use it as leverage, Senator Nunn, but sometimes I think they set their priorities in one direction and I set mine in the other. So we have a go-around on O&M funding occasionally.

I believe other unified commanders have made inputs along those lines. We are working together well. The Chairman speaks for us in the DRB process and at the DAB on acquisition issues. We participate in the budget decisions and in the programmatic decisions.

Chairman **Nunn**. General Menetrey, could you answer that question from your perspective—Goldwater-Nichols and how it is working?

General **Menetrey**. Yes, sir. I agree with Admiral Hardisty.

I always thought the Navy was a generous patron, but I am disabused of that now.

In any event, there are other aspects of Goldwater-Nichols than, of course, the programming and budgeting aspects, which are the joint service, which we are heavily involved in. I must say that after some fits and starts at the beginning, that is beginning to come on line now, and we are beginning to iron it out. So that aspect of it has worked out very well also.

We do have more input, I believe. Now in these turbulent times it is sometimes hard to judge the effectiveness because decisions are made rather rapidly, but in any event I think it has worked out much to the better from my perspective.

Chairman **Nunn**. Thank you. Senator Cohen.

Senator Cohen. Mr. Chairman, Senator Warner raised an important issue in terms of how we persuade our colleagues and, indeed, our constituents that there is a need to maintain the same level of forces that we have had in the past. It is going to be difficult to do that if we only look at the military threat.

The fact is we always talk in terms of the geopolitical implications of our foreign and defense policies. It may not be persuasive, but we also have to take a look at whether or not our military force has a major political dimension to it as opposed to simply being singularly military or defensive in nature.

For example, if we were to unilaterally pull our troops out of Japan, what would be the political implications to the Japanese people? If you combine that with perhaps Mikhail Gorbachev making a gesture toward the Japanese people by, let us say, surrendering two of the islands for the time being as opposed to all four, and if you couple that with a substantial drawdown of our forces in or assigned to Japan, what would be the political implications or consequences? Would you see something of a rapprochement between what remains of the Soviet Union at that point and Japan? What would it mean for the United States to have a merger of Soviet strategic capability with Japanese technology and Japanese economic power?

If we were to pull forces out of the Philippines or be forced out of the Philippines, what would the Japanese people see as being in their interest in terms of extending their own maritime power? Would that mean a greater role other than simply the 1,000 mile capability we are urging today?

I think we also have to take into account the fact that the American people basically have a strong streak of isolationism. That has been our history and, certainly given any opportunity, there is a tendency to pull back and stay at home.

Unfortunately, we still remain that island nation. It has been observed there are only two things that you cannot change in this life; one is history, and the other is geography. We remain that island nation, and those lifelines coming into our Nation happen to be the sea lanes of communication.

I think we have to take a political as well as a military dimension. It may not be persuasive, but it seems to me that is something that has to be taken into account.

The second point I want to make is that perestroika has not been applied across the board. Even though the Soviet Union is diminishing the nature of the threat to Western Europe and perhaps even to the Far East, we find, for example, that they are pouring billions of dollars into Afghanistan to support Najibullah.

If I were a Soviet citizen, I would want to ask the question how many Big Macs Mikhail Gorbachev could buy for the Soviet people with $4 billion or $5 billion as opposed to sending the money into Afghanistan; or how many bars of soap, which is in short supply in the Soviet Union; or how many syringes, which are also in very short supply, the shortage of which is contributing to the spreading of AIDS by the reuse of syringes in the Soviet Union.

So we find those billions of dollars are still going into strategic or geostrategic areas as far as the Soviet Union is concerned along with Cuba and Nicaragua. I think those are facts that we have to take into account as well.

What is your reaction, Admiral and General, as to why the Soviet Union would want to restart the work on the aircraft carrier? The Soviet Union is basically a land mass power. It has all of the natural resources at home. It has no need for a blue water navy. It has a formidable naval capability in the form of submarines, certainly with the new destroyers and cruisers it is building. Why would they now want to restart construction on a major aircraft carrier that would have fixed wing capability? Can you give me an example?

We heard about it when they stopped work on it. That was a major sign, I think a very positive one. Then recently we have word that they restarted construction to complete that aircraft carrier.

Can you give me your assessment as to why that would be so?

Admiral **Hardisty**. I think they were probably committed to a shipbuilding program, and they were probably far enough along, Senator, that it was cost effective to complete it rather than lay it up. They have the others on the way, however, and we are not sure that they have stopped building on those. Obviously that shipbuilding program continues apace.

We have seen no slowdown in the Soviet shipyard building capability or any slowdown in what they are doing with their submarine construction. There were nine submarines last year; it looks like there will be 10 this year. We build two per year. They have the potential for three aircraft carriers for power projection. So you wonder about their intentions.

I certainly agree with you on perestroika. They are also putting about $2.5 billion per year into Vietnam which they cannot afford much longer. I believe they are about to pull out, and I think that is one of the reasons they are going to be leaving Cam Rahn Bay.

I certainly applaud your remarks on the political side of our military presence. There is an economic side as well. I did not have a chance to make that point with Senator Warner. As you mentioned, if we leave the Philippines it sends a signal to the rest of ASEAN that the United States does not have the staying power nor the will nor the interest to be in Southeast Asia.

Certainly as a maritime nation with economic interests in Southeast and Northeast Asia, we need to be there. We provide stability and security in that region. If you ask any of our allies, today there is no one else who can fill that role. History shows someone will always fill a vacuum. We will create a vacuum in Northeast Asia and one in Southeast Asia. There is concern in Southeast Asia as to who would fill that vacuum. It may be filled by Japan, a growing India or a modernized China. It may not happen early on but in the distant future.

Senator **Cohen**. As I said, Admiral, I am not sure that that will be a persuasive argument, but it is certainly one we have to take into account as we discuss whether or not we downsize our forces in the Far East and Southwest Asia as well.

One final point if I could, Mr. Chairman.

You would agree, I assume, that as the threat of military conflict diminishes in Europe and as our access to bases also diminishes that our reliance upon overseas trade is going to increase, and that means that the relative importance of our naval capabilities has to increase.

We are going to have less of a land base in Europe. We are going to have, I think, a continuation of the rise of nationalism in many countries, and with that rise of nationalism will be the flipped coin of not anti-Americanism, but at least pro-nationalism.

There may be efforts made to remove an American presence. It may be more counterproductive to keep our forces there than to remove them in some of those countries.

In my judgment we are going to see that take place. I think we are going to have less of a land presence around the globe.

Now, in view of the fact that we are going to still be relying on international trade, the only way to guarantee access to those various countries is a maritime presence.

We do not have much in the way of a merchant marine today. It is really a basket case, basically. So it seems to me that now that we are talking about reorienting our military capabilities somewhat toward more peaceful uses, that we have to consider enhancing our merchant marine.

One thing that has not been done, we have had study after study that indicates that we have ignored the problem. We do not have an adequate merchant marine. We would not be able to fulfill the mission should a conflict come about.

We need more container ships. We need a lot more merchant ships that would be available for emergencies also.

What would be your opinion of perhaps moving that merchant marine funding into the Department of Defense? Currently it is under the jurisdiction of Commerce, Science and Technology. But if the Department of Defense is to rely upon a maritime presence, would not a strong merchant marine be part of our national security interest?

Admiral HARDISTY. Certainly a strong merchant marine is in our national interests, Senator. In regards to moving that into the defense budget, we now have a merchant marine policy.

Certainly I know the Navy's stated view has been one that the Navy should not pay for the merchant marine. The Navy defense budget should be all about Navy combatants. We as a national government should have a merchant marine policy that is a national issue rather than a defense or Navy issue.

Senator COHEN. Well, so is counterterrorism and counternarcotics.

Admiral HARDISTY. Exactly. You are shifting the focus.

Personally I cannot agree or disagree on that issue. Again, in regard to the importance of naval forces, they certainly are important today and will become more important if we draw down forces from overseas.

Senator COHEN. One final point, General Menetrey. Do you have a requirement for a replacement for the Lance?

General MENETREY. In Korea?

Senator COHEN. Yes.

General MENETREY. No.

Senator COHEN. Thank you. That is all I have, Mr. Chairman.

Chairman NUNN. Senator Wirth.

Senator WIRTH. Thank you, Mr. Chairman.

Admiral Hardisty, do we have common interests, common security interests with the Soviets in Asia, and if so, what are they?

Admiral HARDISTY. We want peace and stability in the region. I think now they do too, Senator, so I think we do have common interests.

Senator WIRTH. Where geographically do our interests overlap most in Asia?

Admiral HARDISTY. They are not much of an Asian trading partner, but they do have joint ventures with Japan over the last several years. Their trade with China has also increased.

I would say mostly in Northeast Asia.

Senator WIRTH. You certainly also have interests with them in Cambodia, and all of the discussions that are going on there.

Admiral HARDISTY. Yes. We have parallel interests on stability broadly throughout the region.

Certainly Cambodia and Vietnam.

Senator WIRTH. And the Korean peninsula would clearly have joint interests with them in seeing a reduction of tension there, do we not?

Admiral HARDISTY. Yes, sir, we certainly do.

Senator WIRTH. Do we have a dialogue with the Soviets about our common security interests in Asia?

Admiral HARDISTY. I believe we do. I believe that dialogue is going on with arms control and the meeting of our Secretary of State and Foreign Minister and others.

We do not have a military dialogue, no.

Senator WIRTH. Where do we have a formal dialogue about this, do you know? We do not have one, is that not right?

Admiral HARDISTY. Not a structured committee that says we are going to talk about Cambodia with the Soviet Union, but we have certainly talked Cambodia with the Soviet Union and continue to do so.

Senator WIRTH. Is there any kind of a structure that you have for discussions?

Admiral HARDISTY. No, sir. There is no military structure in the Pacific to discuss those issues.

Senator WIRTH. When I was recently in the Soviet Union talking to Mr. Shevardnadze and with his deputy for the Far East, Mr. Rogachev, they both lamented very loudly the fact that there was no military dialogue, that there was no discussion on this front. Why do we not have any kind of a discussion like this?

Admiral HARDISTY. I cannot answer for our State Department. We do have exchanges, high level exchange of visits, our service Chiefs, Akhromeyev, and the Crowe visits, those type things.

Gorbachev suggested I visit the Soviet Union some time ago, but it was decided I should not go. We had other people going at that time.

Senator WIRTH. Why could you not go?

Admiral HARDISTY. We do not want to overload the circuit. There were too many people going. We have a policy and a series of exchange visits. My time will come, perhaps not on my watch. My successor may be invited.

Senator Wirth. What we do have coming this year, as you point out in your testimony, maybe ship to ship visits.

Admiral Hardisty. That is correct. We will exchange ship visits, yes, sir.

Senator Wirth. But there is no formal discussion of all of this. Did the Soviets invite us to observe arms control and naval exercises last June? Did they invite us to do that?

Admiral Hardisty. Not to observe arms control, to observe a naval exercise.

Senator Wirth. What was our response to that?

Admiral Hardisty. We did not observe the naval exercise.

Senator Wirth. Why was that?

Admiral Hardisty. The reason we did not observe the naval exercise was a policy decision made in Washington. I recommended against observing the naval exercise because I did not feel that we had anything to gain from it.

They invited every nation in the Pacific to come, and it was a show, if you will. It wasn't really a naval exercise. They went out of Vladivostok and made a few circles and went back in.

That is not to say that in the future we may not exchange observers. I'm not saying it is not a good idea as we go further in discussions. At that time the very short notice, and the nature of the exercise lessened our interest in it.

Senator Wirth. Did we invite the Soviets to observe TEAM SPIRIT?

General Menetrey. No, sir, we invited the Chinese and the North Koreans and the neutral nations.

Senator Wirth. Why did we not invite the Soviets?

General Menetrey. Sir, there is no particular reason, but you know they are not direct participants in that kind of activity over there. But the Chinese and the North Koreans being cosigners of the armistice agreement and so on were directly involved.

Senator Wirth. When I was there, there was a great deal of discussion about the fact that the Soviets had just provided new fighter planes to North Korea and that the Soviet military presence in Northeast Asia was modernizing. Does that not suggest that there would be some Soviet interest in what we were doing in Team Spirit or that we ought to be?

The broader question is that we ought to be opening some kind of a formal dialogue.

What this reminds me of, Admiral, is where we were in Europe 2 or 3 years ago. I remember talking to General Galvin, and I said can you talk to your counterpart, and he said no. This was 2 years ago, 3 years ago. And I said why not? He said well, we have a policy against that. There is a long slippery slope and we were told if you get into these discussions, you know, you never know where this might end.

And I said well, would you like to do it and he said absolutely. He said I would like to know what worries them and I would like to have them know what worries me.

Now, it seems to me we learned those lessons in Europe, and we have moved very quickly and yet we are at a position in the Pacific where we are acting as if it is 3 or 4 or 5 years ago with no kind of formal agenda.

When I raised the TEAM SPIRIT issue, General, with Mr. Rogachev, they would have been delighted to have received an invitation. I am sure that there is a very good reason for us not doing so and, again, very much wanted to have some kind of a more formal set of discussions with the United States.

I do not understand why we are not in a position of trying to open that door to start that kind of a discussion. I get the feeling that in fact there is very significant resistance from the services to do that and particularly from the Navy on the issue of arms control.

I mean, we hear from the Navy over and over and over again, the same slippery slope discussion that we hear elsewhere. How would you comment on all of that, Admiral Hardisty?

Admiral **Hardisty**. Well, certainly that is a perceived slippery slope with naval arms control. We discussed earlier what naval arms control means to us and what it means to the Soviet Union. In my opinion it is a plus for the Soviet Union and a real minus for us. That is my personal opinion.

I think it is probably the Department of Defense position as well, Senator.

In regards to the dialogue, certainly, exchange of visits with my counterpart. The ship visit exchange that we are going to have are all positive things. But we have a lot of other considerations. We have our allies to consider if we are thinking of entering into naval arms control with the Soviet Union. In Northeast Asia, we have the Republic of Korea and Japan to consider.

You know, we are taking all the hits for not wanting to do certain things. I think if you talk to those governments, they are a little nervous about doing those kinds of things with the Soviets, too.

I know you have talked to certain people in those governments, and I have talked to people in those governments. Perhaps the people I talked to are telling me different things from what people have told you, Senator.

Senator **Wirth**. I heard all views, Admiral Hardisty, and, you know, I am relatively new to all this. I have been on this committee for 3 years. You know, I heard this same discussion 2 and 3 years ago in Europe. I mean, it was wrong there, it was flat wrong. We changed our policy. And here we have an echo of a policy that did not seem to make a lot of sense.

Now we get Admiral Crowe—certainly nobody new to all of this—a very experienced individual, and he is saying we should consider talks with the Soviets on, as I read his statement, on eliminating tactical nuclear weapons from surface ships and submarines. I mean, that is a step in the right direction it seems to me. You know, he is saying we ought to have further discussions.

All three of the former chiefs making discussions on that, the Soviets asking us if we will start having discussions with them on various measures that are transparency measures. You know, the notification of exercises, exchanges of doctrine and so on. I mean, certainly not the kind of things that are going to cause the Navy to go to the bottom of the sea.

I mean, this is a different day and age, and I am struck, Mr. Chairman, by the fact that we have really what appears to be a real set of heels dug in on any kind of discussions like this coming from our military defying, it seems to me, what we have learned in the last 3 years, defying a lot of the lessons that we learned from the importance of transparency and confidence-building measures. At least that is a first step.

You know, we are not talking about eliminating weapons, just transparencies and confidence-building measures. The former Chairman is saying we ought to do that sort of thing.

I think the time has come, Admiral, for us to really reconsider our posture in the Pacific and to get a lot more serious about setting up more than the kind of I think pretty faint arrangements we are doing so far.

It is a start what you are doing on ship-to-ship visits. It is a start, but I think we have a lot more that we ought to be doing.

Chairman NUNN. Thank you, Senator Wirth.

Senator Exon is next and is going to close the hearing. I am going to have to run for an appointment, but I want to thank General Menetrey and Admiral Hardisty for being here. We appreciate your testimony.

If I could add one brief comment on Senator Wirth's comment, I think you have to define naval arms control and what you mean rather than yes or no on the whole subject.

We already have naval arms control with incidents at sea, so it is not that we have never entered into it. That has been one of our more successful agreements.

I think that we ought not exclude sensible arrangements that are in our national security interest under a sweeping no on all naval arms control.

I think there is room for discussion of what we are talking about.

Senator WIRTH. I think there are lots of productive things. Nobody is saying we are going to do 100 percent naval arms control tomorrow. We are just opening the door and having some kinds of formal discussions and looking at a variety of these options and just opening up the door at least to discussion.

We are not at that point yet at all.

Chairman NUNN. I think the Navy has to do a real examination of what the utility of tactical nuclear weapons at sea is.

There are some people who believe that it is not in our interest to have tactical nuclear weapons on both the Soviets and the U.S., that it is in the Soviets' interest. Now, how you verify all of that, that is a mind-boggling sort of situation, but I think we have to not be locked in on it and be willing to examine it ourselves at some point. Senator Exon.

Senator EXON [presiding]. Thank you Mr. Chairman, very much.

Gentlemen, I have two questions, one returning to Guam for just a moment, and then a broader range question about what is going on in Vietnam today, the Cambodian situation, the Khmer Rouge, which might bring us up to date on developments in that area.

First, this may be touching on nostalgia that has no particular place with regard to the assessment of threat, but my best friend was a survivor of the Bataan Death March and on Corregidor, and I was on Mindoro when we launched paratroopers to take back Corregidor at the time. I was on Corregidor.

When I was out there a couple of years ago, at that time, Admiral, there were two or three tents of Seabees patching up what was built there as a tribute to all of those who gave their lives in the whole South Pacific. It was at one time an establishment with a museum, running water, beautifully protected grounds.

When I was there, the Seabees were doing their best to patch up a roof that had flooded the museum on several occasions. They had cut down the weeds. They had got the water turned back on because the pumps were gone. It was kind of a disgrace, I thought, as a memorial to those who had done so much for our country in the Pacific, and I was quite shook by it.

At the time I was there, there was a continuing struggle between the United States and the Philippine Government—in short, that this is Philippine land and we do not want you taking care of it. What has happened in the last 2 years on Corregidor and that memorial? Is the General taking over again?

Admiral **Hardisty**. No, sir. As you know, your interest in it, and Congressman Sonny Montgomery's interest in it, was instrumental in providing the funding and then us being able to use our Seabees to restore, to the best of the ability and the fungibility, the facilities and the memorial out at Corregidor.

I visited there not too long ago, and called our Ambassador's and the Philippine Government's attention to a little slipping back in the way things looked out there. We are paying attention to it, Senator.

I have talked to Senator Ted Stevens. I have talked to Senator Inouye. They are both interested not only in Korea, as Congressman Montgomery and yourself, but in looking at all of the South Pacific war memorials.

I find that there are now more Japanese memorials than there are U.S. memorials. We have a little work to do, whether it be on Midway, Peleliu, or all around the area. We are taking a good look and are going to do something about fixing those areas up, sir.

Senator **Exon**. Bravo. Thank you, Admiral.

Could either or both of you comment on the other question? Vietnam, what is going on there today? Have the South Vietnamese suffered a great deal as a result of the eventual cessation of hostilities there?

What do you see, and is there any likely serious threat to our interest, our direct interest, with regard to the continuing bloody battles that seem to be going on, guerrilla-style, in Cambodia? What about the geopolitical balance in that whole area? Can you enlighten us on that?

Admiral **Hardisty**. In Vietnam, sir, Vietnam has done a number of things that they have been asked to do. They have pulled out of Cambodia.

In regard to the South Vietnamese being mistreated, they have been mistreated in the past, but from observers who have gotten into Vietnam—such as General Jack Vessey, a most credible and a very astute observer of Vietnamese politics. Things are changing, they have real economic problems.

He has seen, and we see on the part of the Vietnamese Government, a recognition that Cambodia was very devastating and their economy is a real basket case.

The Soviet aid and other help did not turn out to be what they thought it might be. It had too many strings attached to it. It has not helped the system.

I believe they are ready to open their doors and look more toward the West. They need to get with the World Bank. Some of our sanctions against the Vietnamese hold them back. I am not criticizing our Vietnamese policy, only to say we see more signs that they are beginning and willing to look outward. You see more signs that they are going back to a decentralized economy.

There are now food stalls on the street, and the kind of private enterprise that they did not allow a year ago. They appear to be loosening the strings a little bit and allowing more freedom and a more free economy. Hopefully, that is all a positive sign.

Their influence on the Cambodian situation is significant. However, we have a number of other important factors there including the Soviet Union, the PRC, and the United States. We have ASEAN as well. There are many countries working the Cambodian problem for a solution.

I am hopeful that we are getting close with some agreement on a U.N. peace-keeping role there and free elections. I believe we may be getting closer, than we were at the Paris and last GEM II Conference.

Geopolitically we have to consider Vietnam a factor in the region. They are a literate nation. They are a nation of 60 million people. Obviously, they have to be a factor in Southeast Asia.

Certainly Singapore, Thailand and Malaysia recognize the importance of Vietnam not only as a food basket, but the future potential of Vietnam in the area. They are all poised and ready to go into Vietnam. Many of them are there and ready to do business. So I see a change in that respect in the area.

Senator EXON. So you are somewhat upbeat about that?

Admiral HARDISTY. I am a little upbeat on that, yes, sir.

Senator EXON. The Khmer Rouge, their activities have not significantly changed?

Admiral HARDISTY. No, sir, they have not.

Senator EXON. One last question, then—I assume you do not have anything to add on that, General?

General MENETREY. No, sir. The Vietnamese are of course seeking economic development up in my area, in Japan and Korea, so that just seconds what Admiral Hardisty was talking about, and the relationship with the PRC, of course, is the critical relationship in that area and will probably remain that way.

Senator EXON. I assume that we are continuing to enjoy excellent relationships with the Government of Singapore? It seems to me they are increasingly becoming a more sound, rational, steady voice in that whole part of the world. People seem to be listening to them. Is that correct?

Admiral HARDISTY. Yes, sir. I think that is a very accurate assessment. Our relations with Singapore are very good. I think they are a spokesman in the area, along with their close neighbor, Malaysia. There is a lot of interaction there between those two countries.

We are delighted in the initiative that the Singapore Government has offered for an increased U.S. presence.

That is not going to be a substitute for our presence in the Philippines. It would be a limited aircraft and ship presence in Singapore. They are offering us facilities that are being vacated by New Zealand.

I think that is a very important initiative, and sends a good signal, a regional signal throughout all of ASEAN. It's a very positive move on the Government of Singapore's part in support of U.S. presence in the region.

Senator **Exon**. Gentlemen, we are ready to bring the hearing to a conclusion. Are there any comments or windup statements that either of you have? If so, we would be glad to entertain them.

General **Menetrey**. Well, for myself, just let me say it has been a pleasure to be here and to answer all the questions, and I hope it has been helpful for you.

Senator **Exon**. It certainly has, General.

Admiral **Hardisty**. Same for me, Senator Exon.

I would also like to add, there has been a lot of discussion today about change and drawdowns, and are we willing to do this, are we willing to do that, what is smart and what is not smart.

Certainly, we recognize there is not going to be a status quo in the Pacific, but we also recognize we have been an economy of force and we think the drawdowns or adjustments in the Pacific should be very measured, and they should be in consultation with our allies and in accordance with our national interests. I think that is the key point. We do not have our heads in the sand about no change in the status quo.

It is a little early to be able to formulate that, because the President owes you a report on April 1. We have made our recommendations, and I think you will find those good recommendations. The report shows good and significant movement, but also thoughtful and measured movement.

Senator **Exon**. Admiral and General, we thank you so very much for your excellent testimony and being here, and we are adjourned.

[Questions for the record with answers supplied follow:]

Questions Submitted by Senator John Glenn

COMBAT CAPABILITY

Senator **Glenn**. Admiral Hardistry and General Menetrey, the Department of Defense (DOD) fiscal year 1991 budget proposes to terminate 20 significant conventional weapons programs. Do you agree with these terminations? What impact, if any, will the termination of these 20 programs have on your combat readiness?

Admiral **Hardisty**. The termination of any significant conventional weapons program is not accepted with a great deal of enthusiasm. Program losses will contribute to the degradation of USPACOM's combat readiness, some more than others, in the long term. Specifics on each of the 20 programs identified for termination are as follows:

PHOENIX: [Deleted.]

MAVERICK MISSILE: [Deleted.]

COMBINED EFFECTS MUNITION: [Deleted.]

SEA LANCE ASW STANDOFF WEAPON: [Deleted.]

NON-LINE-OF-SIGHT MISSILE: [Deleted.]

ADVANCED SHORT RANGE AIR-TO-AIR MISSILE (ASRAAM): Planned to be the follow-on to the Sidewinder (AIM-9) missile. Current inventories of AIM-9 missiles are over 100 percent of the requirement. With continued upgrades of the AIM-9, USCINCPAC will maintain a satisfactory posture against the short range threat.

CHAPPARAL MISSILE: [Deleted.]

AUTONOMOUS PRECISION GUIDED MUNITION: Since this program is in the initial R&D phase, we have had little information on the weapon system.

V-22 OSPREY: We understand SECDEF's decision to terminate the V-22 program for affordability reasons. However, our requirement for a medium lift assault support aircraft remains.

APACHE HELICOPTER: Apache provides all weather, day and night capable anti-tank capabilities not available in any current weapon system. Initial fielding plans for USPACOM Army forces were for two battalions in EUSA/2ID and one battalion in the Hawaii Army National Guard (HIARNG). Program termination should not affect EUSA/2ID. Fielding for HIARNG is likely to be terminated. Although the loss of all weather, day and night capability in HIARNG is significant, it is far less critical than a comparable loss would be in EUSA/2ID.

ARMY HELICOPTER IMPROVEMENT PROGRAM (AHIP): AHIP modernizes OH-58 Scout Helicopters by providing all weather, day and night operations, and anti-tank capabilities. The improved lethality, survivability, and operating capabilities provide significant warfighting improvements not available in other systems. AHIP is interim system to be placed by the Light Helicopter Experimental (LHX). These capabilities must be available to fully employ the AH-64 Apache.

M-1 TANK: The only M-1 tank fielding programmed for USPACOM is replacement for M60A3 tanks in 2ID/EUSA. This fielding is currently in progress and should not be affected by program termination.

MK-19 GRENADE LAUNCHER: The MK-19 launcher is programmed for fielding to all USPACOM light infantry divisions and Echelon above Division (EAD) military police units. This fielding should not be disrupted by program termination; however, broader distribution to cavalry, chemical, combat service support and engineer units will be terminated. The diversity of munitions and effective range of this system would provide needed improvements to forces in our "economy of force" theater.

OV-1D AIRCRAFT MOD PROGRAM: EUSA has 12 OV-1D's which belong to the Intelligence and Security Command (INSCOM). These aircraft will be retired by fiscal year 1997. The budget cut has probably eliminated the overhaul program for this system which would have extended its life cycle. As a result, the U.S. Army in Korea will lose this capability in fiscal year 1997 if not sooner depending on available airframes. The plan is for Joint Surveillance Target Attack Radar System (JSTARS) a system, to replace the OV-1D. Presently, JSTARS is not fielded and it may not be fielded due to budget constraints.

F-14D AIRCRAFT: Cancellation of F-14D production will result in insufficient F-14's to meet the threat in fiscal year 1997 timeframe. The Navy plan approved by SECNAV in 1986 is based on 10 aircraft per squadron. Eliminating production in fiscal year 1992 will put the Navy one CVW down by fiscal year 1996 after decrements for Fleet Replacement Squadron (FRS) and pipeline aircraft. Overall attrition will account for almost one squadron per year. Although remanufactured F-14A's would have similar capabilities to scheduled new production F-14D's, the airframe life does not change. Cancellation of new F-14D's in fiscal year 1991 without a firm commitment to a follow-on aircraft could put the Navy in the same situation it faces with the gap between new A-12 and aging A-6E airframes. It is unlikely that a follow-on fighter aircraft (Naval Advanced Tactical Fighter-NATF) would be in production to replace an aging F-14A airframe by fiscal year 1997.

M-88A2 IMPROVED RECOVERY VEHICLE: The M-88A2 provides the powerful recovery capability required by the heavy M-1 tank. In its absence M-1 tanks will have to be recovered by another M-1 tank, diminishing the combat availability of this system. The risk is greatest in EUSA/2ID where our forces face an armor intensive adversary.

F-15E AIRCRAFT: [Deleted.]

AIR FORCE AIRBORNE SELF PROJECTION JAMMER: Program termination will not seriously degrade PACOM's combat readiness. Existing self-projecting jamming pods will continue to be utilized.

AIR BASE SURVIVABILITY: Program termination will not seriously degrade PACOM's combat readiness. In light of fiscal constraints this has been an area of acceptable risk.

COMBAT CAPABILITY—FOLLOW-ON TO F-4G WILD WEASEL (FOWW): [Deleted.]

General **Menetrey**. No, not entirely. Decisions in this era of constrained resources to recommend the retention or deletion of a weapon system are weighed against the risk of war in a particular theater or theaters. The risk of war is then weighed against the number of programs which are competing for a limited amount of resources. The threat in Korea has not dissipated. There is no glasnost or perestroika. North Korea continues to be both belligerent and hostile and has not slowed in its efforts to arm itself and prepare for war. I have reviewed the weapon systems slated for termination, I must state that in Korea some of these are vital. [Deleted.] Termination of the V-22, M1A1, OV-1D aircraft modification program, F-14D fighter, Phoenix AAM, Air Force Airborne Self-Protection Jammer (ASPJ), Combined Effects Munitions, Chaparral Air Defense Missile, Air Base Survivability Decoys, Advanced Short-Range AAM and Autonomous Precision Guided Munitions programs will have minimal effect on U.S. Forces Korea's combat readiness.

However, termination of programs such as the M-88A2, Improved Recovery Vehicle, the Army Helicopter Improvement Program will significantly impact on Army forces' combat readiness. Likewise cuts in Maverick ASM and Follow-on to Wild Weasel will significantly impact on the Air Force's combat readiness in Korea. This is very significant because as force reductions are being made worldwide, the forces remaining must be well-armed, well-trained and combat ready—ready to fight and to win.

Senator **Glenn**. As the DOD budget was finalized, were your high priority programs included?

Admiral **Hardisty**. High priority programs for USPACOM fared well in the fiscal year 1991 budget process.

Programs to modernize ASW capability are funded and on track.

Strategic lift is inadequate. Existing programs will reduce but not eliminate deficiency.

Indications and warning programs have slowed but are proceeding.

General **Menetrey**. No, they weren't. The process as I alluded to earlier created an environment where tough choices were made in order to keep the DOD budget within the limits set forth by the President. Several of my high priority programs are on the termination list.

Senator **Glenn**. Could you tell the committee what programs were not given a high priority in your opinion and why you believe your command needs them?

General **Menetrey**. M-88A2. Deletion of this system impacts on Eighth Army [deleted]. Currently when an M-1 tank goes down it must be recovered by another tank. This is not combat effective. The terrain in Korea demands a powerful recovery vehicle.

The Army helicopter improvement program (AHIP). This cut is significant. The AHIP is the companion helicopter for the AH-64. It provides day/night capability as well as adverse weather capability. [Deleted.]

The MK-19 (grenade launcher/machine gun). It is a multi-purpose weapon [deleted] engineer battalions, military police units and selected artillery units. It fires an assortment of ammunition depending on the particular target. Army forces in Korea have a validated requirement for this system. I strongly support retention of this system.

[Deleted.]

Senator **Glenn**. Admiral Hardisty, in testimony before this committee yesterday, Admiral Kelso emphasized the importance of our ASW capability in the face of the rapidly improving quality of Soviet submarines. However, the fiscal year 1991 budget contains a recommendation to terminate the Sea Lance ASW program. What impact will cancellation of the Sea Lance Program have on your overall ASW program?

Admiral **Hardisty**. We obviously need the capability incorporated in Sea Lance. Cancellation of Sea Lance deletes a stand-off weapon that would increase our favorable exchange ratio in dealing with newest generation of Soviet nuclear submarines. Sea Lance is not intended as a first strike weapon, but rather a weapon to be employed to reengage an evading, noisy target and to allow our own ship to evade. There is no fall-back weapons system for submarine application. The Vertical launch ASROC system is a lesser capable interim system that is applicable to surface ships.

FOLLOW-UP: Should the Navy consider increasing the procurement of the VLA ASROC ASW system now that Sea Lance has been terminated?

Yes. Further consideration should be given to incorporating the new MK-50 Torpedo as a replacement payload, vice the MK-46 Torpedo.

MANPOWER PERSONNEL

Senator **Glenn**. Admiral Hardistry and General Menetrey, as chairman of the Armed Services Subcommittee on Manpower and Personnel, I would be very interested in your frank assessment of our personnel readiness and quality of life programs. Last year in the fiscal year 1990 Defense Authorizations Act we took several steps to strengthen these programs including a 3.6 percent pay raise, a comprehensive revision of the Aviator Career Incentive Pay programs, reduced premiums for the Survivor Benefit Plan and other measures to ensure improved officer and enlisted retention rates. Specifically, I would like to get your evaluation of how these programs are working, and your recommendations as to additional priority actions my subcommittee should consider that will strengthen DOD's ability to attract and retain quality personnel.

Admiral **Hardisty**. First let me say that our servicemen and women are indeed grateful for the improvements in the areas of compensation and quality of life that Congress implemented in fiscal year 1990 legislation. Any pay raise is welcome, and the measures which protect our service members from undue costs have removed several major sources of dissatisfaction. It is too early to tell what the impact of the ACIP revision will be—aviator retention continued to decline in 1989 for a variety of reasons, with pay a primary factor. The medical payments and child care provisions directly addressed two of the chief complaints my people have, specifically the overtaxed military medical system and the lack of adequate capacity in our child care facilities. When I poll my senior enlisted chain of command, several quality of life issues stand out. Pay remains at the top—our uniformed men and women know that they are falling behind the civilian sector more each year—with a projected comparability gap of minus 11.4 percent by the end of 1990. In some locations in my theater, housing is perhaps a bigger issue; the lack of adequate housing on base or at affordable prices forces many junior families into substandard facilities at excessive costs. Another major aggravation to our service families is the low availability of routine dependent medical and dental care—services which are not always covered under CHAMPUS or the Delta Dental Plan. Everyone is aware of the situation in child care, and steps to improve capacity are being taken. As with family housing, the lead times for child care facilities are long. Solutions are years away, but the problem is now. All of these concerns deserve the continued attention of Congress.

One very important factor today in the quality of life perceptions of my people is uncertainty—accompanied by a lowering of confidence that their best interests will be protected in a time of rapid budget and force structure reductions. This could do more to harm the morale and retention of quality people than any other factor. The services are working very hard to protect their people from unnecessary turbulence while scaling down force structure and realigning requirements. They are attempting to reduce personnel inventories as painlessly as possible, and need the support of Congress to succeed. We continue to reassure our people that we will not "break faith" with them on past promises, but we will be judged by our deeds.

General **Menetrey**. A pay raise always has an affect on retention. Large reenlistment bonuses continue to be a positive factor in many reenlistments. The additional aviation incentive pay, along with the pay raise, had a positive affect on officer retention. New emphasis is needed on incentives for enlisted aviation personnel, especially crew chiefs. The reduced premiums for the survivors benefit plan (SBP) is certainly a positive step.

Among the other measures undertaken, the increase in relocation allowance has been a significant factor in easing the financial burdens of permanent change of station moves. Over time, this measure will have a beneficial affect upon retention. The family member employment program has been a powerful retention incentive for dual career families; however, this situation will be adversely affected by the current civilian hiring freeze.

In terms of additional actions, some other retention incentives are opportunities for education, career advancement, and realistic training opportunities. Family and career security have also been a strong retention factor. Mid-career retention is dropping within Eighth U.S. Army due to insecurity about career longevity and erosion of service benefits. Some measures which will improve retention are continued education benefits, pay comparability with the civilian sector, expanded variable reenlistment bonuses, continued realistic training world, and expanded family support programs. In the fate of mandatory personnel reductions, reassurances that the military is a viable career option are essential.

Senator **Glenn**. Have you been involved in any action to bring Army forces in Korea under the operational control of the Army headquarters (Western Command) in Hawaii?

General **Menetrey**. [Deleted.]

Senator **Glenn**. In your estimation how imminent is such action?

General **Menetrey**. [Deleted.]

REDESIGNATION OF WESTCOM TO USARPAC

Senator **Glenn**. "Admiral Hardisty the Committee on Armed Services has pending before it a nomination redesignating the Commander, Western Command, in Hawaii, as the Commander, United States Army Pacific. As you may recall that in 1987 the Army pursued but dropped a similar request because the Army was unable to justify why such a redesignation was appropriate when Army forces in Korea, Japan and Alaska would not come under the operational control of the headquarters in Hawaii. Since then, the Army has taken action to place Army forces in Alaska under the operational control of the headquarters (Western Command) in Hawaii, and has made similar arrangements for Army units in Japan. In the Pacific, that would leave only Army forces in Korea outside of the operational control of the headquarters in Hawaii."

Admiral **Hardisty**. Senator, I appreciate the opportunity to comment on the proposed realignment of Army forces in the U.S. Pacific Command. [Deleted.]

Senator **Glenn**. Isn't the proposed redesignation premature, especially since the bulk of the Army's forces are in Korea?

Admiral **Hardisty**. The proposed redesignation of WESTCOM to USARPAC is [deleted].

Senator **Glenn**. Wouldn't the proposed redesignation misrepresent the Army's operational control relationships in the Pacific at this time?

Admiral **Hardisty**. [Deleted.]

Senator **Glenn**. Why wouldn't it be more appropriate to redesignate Western Command as U.S. Army Pacific when Army forces in Korea are brought under the operational control of the headquarters in Hawaii?

Admiral **Hardisty**. [Deleted.]

Senator **Glenn**. What are you doing to bring Army units in Korea under the operational control of the Army headquarters in Hawaii and when do you expect that to happen?

Admiral **Hardisty**. My three senior Army commanders, General Menetrey, LTG Kicklighter and LTG Woodall, have worked with the Department of the Army staff in the Pentagon [deleted].

REDUCTIONS IN MILITARY STRENGTH

Senator **Glenn**. Admiral Hardisty, the fiscal year 1991 amended budget proposes a reduction in active military strength of 91,000 over fiscal years 1990 and 1991. How much, if any, of the 91,000 reductions proposed in the fiscal year 1991 amended budget would come out of our units in the Pacific?

Admiral **Hardisty**. Although there have been some announced force reductions, base closures and proposals for other modest adjustments in the Pacific, the actual number of troops to be reduced in fiscal year 1991 is yet to be determined.

Senator **Glenn**. How much hollowness would these reductions cause in the Pacific? For example, I understand that the Air Force has issued manning guidance that establishes manning floors of 90 percent for remote or isolated units, 85 percent for overseas units, and 80 percent for units in the United States.

Admiral **Hardisty**. In the near term, both the Army and the Air Force will experience some manning shortfalls as they absorb the fiscal year 1990 Gramm-Rudman-Hollings sequester and budget-driven end-strength reductions. The Air Force reduced fiscal year 1990 manning floors by between 5 and 10 percent from previous levels. Eighth Army in Korea anticipates a 2 percent lower manning level; 6th Infantry Division in Alaska expects a 6 percent lower manning level.

At least two of my component commands will experience noticeable manning shortfalls in fiscal year 1990, shortfalls which resulted from taking budget cuts before it was possible to make force structure adjustments. This situation should resolve itself by fiscal year 1992 at the latest as we make the worldwide force structure adjustments currently under consideration in the Department of Defense.

Senator **Glenn**. What is your assessment of these reductions on the combat efficiency and morale of our forces, especially if they are undermanned?

Admiral **Hardisty**. I expect these reductions to have some temporary impact on morale since we will be asking our people to do the same mission with fewer resources. While I do not see combat readiness being degraded in peacetime, combat efficiency would decline in the event of any conflict—an undermanned unit is less capable of sustained 24-hour operations and much more sensitive to casualties. Until we are able to complete force realignments that will return us to full manning in fewer units, this situation will continue.

Senator **Glenn**. What actions do you contemplate to bring about a better match of force structure and strength levels?

Admiral HARDISTY. Once the services make their manpower adjustments, it will take a joint USCINCPAC staff, component command, and sub-unified command effort to ensure that force structure and strength levels are compatible in order to accomplish our missions. We will examine manning reductions in headquarters elements and non-critical support activities as the interim solution to strength reductions. We will protect the combat power in the theater to the maximum extent possible. We cannot afford to have a hollow force in the Pacific. We must have forces trained for deployment and available for contingency operations.

CIVILIAN HIRING FREEZE

Senator GLENN. Admiral Hardisty, in addition to the active and reserve strength reductions in the budget, civilian personnel strength is being reduced by 21,000 over the next 2 years. Of this number, 16,000 will be reduced in fiscal year 1990 through a civilian hiring freeze. What effect will this freeze have on civilian personnel strength in the Pacific?

Admiral HARDISTY. We are already beginning to experience reduced mission capability because of the civilian hiring freeze within DOD. We have and expect to have more instances of temporarily filling needed support vacant positions by shifting people around; such shifting of people requires some retraining and leads to lessened overall effectiveness. However, in light of expected personnel strength cuts, all the services are reassessing their organization and staffing arrangements to be able to adjust as required, yet maintain essential mission capability. The freeze and expected cuts will hurt but we'll still be able to get the job done.

QUESTIONS SUBMITTED BY SENATOR JOHN W. WARNER

MILITARY PERSONNEL

Senator WARNER. Admiral Hardisty, where are our military personnel stationed in the Pacific? Include also forces stationed in the Continental U.S. (CONUS), Alaska and Hawaii which are designated for your possible use in contingencies.

Admiral HARDISTY. The military forces assigned to my service component commands on a daily basis are as attached (data current as of September–December 1989)

	Army	USAF	USMC	Navy	Total
Guam	18	3,512	270	3,202	7,002
Japan (Mainland)	**1,589**	**8,198**	**4,145**	**4,778**	18,710
Japan (Okinawa)	**847**	**7,984**	**20,512**	**2,068**	31,411
Total Japan	**2,436**	**16,182**	**24,657**	**6,846**	50,121
Korea	**31,277**	12,498	**65**	384	44,224
Philippines	170	9,091	653	4,620	14,534
Elsewhere	439	952	247	1,641	3,279
Alaska	**10,505**	**10,591**	133	2,022	23,251
Hawaii	19,684	5,842	9,446	10,608	45,580
CONUS (PACFLT & FMFPAC only)			42,415	27,715	70,130
Afloat CONUS			2,306	99,739	102,045
Afloat OCONUS			88	27,065	27,153
Afloat Total			2,394	126,804	129,198
Total	64,529	58,668	80,280	183,842	387,319

NOTE: These numbers do NOT include contingency plan forces assigned to other Unified/Specified commands on a daily basis.

Note also that Data Sources vary as follows:

o Service Component numbers are in normal text (as of Sep 89 except USA, USMC as of Jan 90)

o Subunified Command numbers are in bold face (as of Sep 89 except Japan as of Dec 89)

o DoD numbers are underlined (as of Sep 89)

THREAT IN PACIFIC

Senator **Warner**. Admiral Hardisty, what are the contingencies, danger areas, threats and possible areas of employment in the Pacific which might involve use of military force?

Admiral **Hardisty**. North Korea represents the single greatest danger area in the Pacific AOR. The situation in the Philippines involves a threat to American citizens, facilities and bases.

The Philippines environment is characterized by the potential for coup attempts as well as an active Communist insurgency. These situations involve possible threats to American citizens, facilities, and bases.

Other areas in the Pacific that required recent USPACOM planning (specifically noncombatant evacuation operations) include Fiji, Papua New Guinea, and Burma.

Indian Ocean countries are hot spots. Areas requiring recent USPACOM planning, again noncombatant evacuation operations, include the Maldives, Comoros, and Sri Lanka. USPACOM monitors border disputes like that between India and Pakistan daily for impact and implications on the area of operations.

An area in both oceans that requires military involvement is ensuring U.S. resource availability in the USPACOM area. Specifically, USPACOM ensures freedom of the seas. Economic zone issues must not be allowed to threaten unannounced transiting of international waters and airspace. USPACOM continues to delineate economic zones from security zones and ensures transit of the Malacca and Sunda Straits is not impeded.

Currently, the most likely use of U.S. forces will be in a show of force mission. However, USPACOM must be prepared and able to reinforce a show of force should other actions become appropriate.

The potential for conflict of various kinds are summarized below:

—Regional Conflict
—Local Insurrection
—Territorial Disputes
—Economic Instability
—Religious and Ethnic Conflict
—Illegal Drug Trafficking
—International Terrorism

QUESTIONS SUBMITTED BY SENATOR JOHN McCAIN

STRATEGY AND FORCE REQUIREMENTS

Senator **McCain**. To what extent are the changes taking place in Soviet and European military capabilities affecting your current strategy and force requirements? What overall changes, if any, do you think are needed in our power projection and maritime strategy over the next few years, and to what extent are these changes funded in the fiscal year 1991 budget and the current FYDP?

Admiral **Hardisty**. The greatest impact on Pacific strategy and force requirements caused by change in U.S.-Soviet military capabilities in Europe is the perception held by many that these changes extend to the Asia-Pacific region as well . . . they have not. Our strategy is linked to objectives in the Pacific independent of force levels in Central Europe. U.S. Pacific Command strategy must take into account Soviet strategic modernization that has resulted in improved firepower and military capability in its Far Eastern Theater of Operations (TVD). Soviet air forces in the Far East include the recent introductions of its most sophisticated and modern long range bombers (Bear H and Blackjack) and offensive tactical air forces (MiG-29 and MiG-31). Although we are seeing land forces reductions opposite Chinese borders, remaining forces in the Far East TVD have added the most modern Soviet equipment including the T-74 tank and streamlined command control and communications through consolidation of hollow units of these forces. The Soviets have introduced modern, and highly sophisticated naval vessels, including a second aircraft carrier, to the Far East and scrapped its older, less capable vessels. Whereas U.S.-Soviet military reductions in Europe are being negotiated, Soviet Far East TVD military capabilities have increased dramatically with the introduction of modern strategic systems while U.S. forces have announced unilateral reductions in offsetting systems and capability. Thus, it is the perception of Soviet change in the Pacific that is having a profound and misleading effect.

The mission of the Pacific Command is to support U.S. national interests and counter threats to them. Among the nations of the Pacific-Indian Ocean rim, the threats are very diverse. Arguably, the most dangerous, volatile threat in the world today is that of North Korea. While we see an easing of tension between the U.S. and U.S.S.R., we see no corresponding rapprochement between the ROK and the DPRK. Other threats include local insurrection, territorial disputes, religious and ethnic conflict, terrorism, and illegal drug trafficking. But, we are confident that our current Pacific posture can counter any threat to U.S. security interests and support our Pacific strategy. In order to continue to do that in the future, we need to maintain a credible naval deterrent so that the U.S. does not find itself disadvantaged by the Soviet Union or any other nation in the Pacific-Indian Ocean rim. Second, we need to maintain a Navy that can meet our peacetime requirements for forward presence, preserve regional stability and respond quickly to a crisis. Third, the Navy must be sized so that our seagoing men and women can be afforded a reasonable quality of life. This means having enough ships and submarines to ensure a balance between the demands of overseas deployments and operations in home waters. After consultation with our allies, we have proposed modest reductions of U.S. forces in Korea and Japan. Further reductions will have to be carefully weighed so as not to destabilize the political, economic and security interests of these allies. We are taking cuts in important Air Force weapons systems in the Far East including loss of our only conventional, long-range strategic bomb squadron located in Guam. Despite these and other reductions, we believe we retain a margin of sufficiency in terms of ships and resources in the current fiscal year 1991 budget and FYDP to support our maritime strategy and the Pacific Command mission. However, we cannot counter threats to U.S. interests and maritime superiority while maintaining regional stability with further naval cuts in force structure and ships in the Pacific Fleet.

PLANNING PRIORITIES

Senator McCain. Yesterday's paper mentioned that this year's planning guidance is being changed. Could you discuss your current planning priorities, the contingencies you see as most serious, and the extent to which the fiscal year 1991 to fiscal year 1995 defense budget and program provide you with the resources you need. What forces are currently assigned to you that shape your capabilities in each planning contingency?

Admiral Hardisty. USCINCPAC has sufficient balanced theater forces to meet a full range of contingency missions. Forward deployed land, air and maritime forces deter reckless behavior throughout the region. "Being there with lots of friends" is a simple way of describing how military presence defuses potential hot spots. Forward deployment also helps combat the "tyranny of distance" involved in Pacific contingency planning. Our response to contingency operations is more often shaped by available lift, air and fast sealift, than by available forces. In short, balanced theater forces are ready to cope with the full spectrum of contingency missions in the Pacific. Additional air and sealift would allow us to respond faster with greater flexibility.

THEATER FORCES	NUMBER
Army	
Divisions	3
Air Force	
TFS	11
TRS	1
C-130	30 acft
KC-135	8 acft
E3As	3
SOS	3
THEATER FORCES	NUMBER
Navy	
CVBG	3
BBBG	1
ATG	2
MPS	2
SSBNs	8
SSN Sqdns	5
MPA Sqdns	7
SEAL PLT	5
Marine	
MEF	2

Senator McCain. What forces are allocated and/used for planning?

Admiral Hardisty. Force allocations vary according to the scope of projected conflict. In a scenario of global war, the Pacific Command plans for the following:

THEATER FORCES	NUMBER
Army	
Inf Div	3
SIB	3
SF Group	3
Air Force	
TFS	17
TRS	2.5
TAS (C-130s)	62
B-52 Sqdn	1
Tankers	
KC-10	19
KC-135	40
E3As	8
SOS	5
Navy	
CVBG	7
BBBG	2
ATG	1
MPS	1
SSBNs	8
SSNs	39
P-3 Squadron	16
Marine	
MEF	1

Senator McCain. How have these changed since 1980 and 1985?

Admiral Hardisty. In 1987 DOD changed the system for allocating forces to the CINCs. Prior to 1987 the same forces were apportioned to more than one CINC for planning purposes. No CINC was entirely sure that he would get his planning forces. Since introducing the base case approach in 1987, each CINC is apportioned a single set of forces for a global war. No dual apportioned forces are used in the base case approach. Therefore, it is impossible to contrast accurately apportioned forces prior to 1987 with current levels. USCINCPAC has sufficient forces allocated under the global war scenario to accomplish our economy of force mission.

Senator McCain. How are these forces currently planned or programmed to change during fiscal years 1991–1995?

Admiral Hardisty. In Japan, we are expecting a reduction [deleted] U.S. military personnel in fiscal years 1991–1993. In that same period, in Korea we will be converting three of our air bases to collocated operating base status; reducing our fiscal year 1991 projected force level by one F–16 fighter squadron, and reducing other U.S. military personnel [deleted]. Any plans for additional reductions to our Pacific forces must give careful consideration to the fact that we are already an economy-of-force-theater, and to the threat to regional stability posed by the unpredictable regime in North Korea.

Senator McCain. What are the major risks and shortfalls in military strength and capability affecting each contingency?

Admiral Hardisty. As discussed in my statement, we have a dynamic peacetime strategy that maintains a security umbrella under which democracies can flourish, economies can prosper and human rights can improve. The key is sustained influence and access through multiple bilateral associations. A security assistance program with adequate funding levels and flexibility through reduced earmarking has the potential to accrue important dividends in relation to levels of expenditures.

Similarly, cooperative programs, investments in combined exercises, along with humanitarian and civic assistance under Title 10 have generated impressive political-military benefits. Continued congressional attention to these programs is essential.

Our overall priorities continue to be people programs, readiness, and sustainability. As we look to the future to modernize and keep pace with Soviet capabilities, our top warfighting priorities are [deleted].

Senator McCAIN. What major planning activities do you now have underway, or participate in, that might change these answers?

Admiral HARDISTY. While not a traditional Pacific power, the Soviets represent the one nation that can destroy us. There are great changes taking place in the U.S.S.R. and Eastern Europe, changes in the economic systems, social structures and perhaps even in fundamental expansionist goals of Marxist-Leninist Doctrine. Clearly the Soviet threat is changing. Not so clear is how that change will be realized in Northeast Asia. Significant modernization programs are underway in the naval and air forces of the Far East. While speaking of peace zones, modern military hardware flows to repressive regimes in North Korea and Vietnam. In short, the Soviets can still stir the pot in the Pacific.

At CINCPAC we are cautiously optimistic that the Soviets mean what they say. [Deleted.]

NET ASSESSMENTS

Senator McCAIN. To what extent have you conducted net assessments, or participated in them, to help shape these answers, and your planning and programming activities and inputs.

Admiral HARDISTY. At the national level we participate in the development of the Chairman's Net Assessment for Strategy Planning (CNASP), which is now incorporated into the National Military Strategy Document, and the Joint Military Net Assessment (JMNA). These documents accurately portray the threat(s) as they exist in the Pacific and provide a valid assessment of U.S. and allied capabilities.

At the theater level we conduct computer assisted wargames that provide, among other benefits, an assessment of our ability to accomplish assigned tasks with apportioned forces. Additionally, we recently completed a USPACOM/USSOCOM Joint Mission Analysis (JMA) that provides an assessment of the capability of the fiscal year 1994 programmed special operations, civil affairs, and psychological operations forces allocated to USPACOM to execute peacetime, regional contingency, and global war missions. These "in-house assessments" are one means of identifying deficiencies and guiding our efforts in planning and programming activities.

INTEGRATED PRIORITY LIST

Senator McCAIN. What is the full list of items on your Integrated Priority List for improvements in U.S. forces for your command? What elements on this list are funded? What elements are not funded in the fiscal year 1991 budget and current FYDP, and how does this lack of funding increase your risks?

Admiral HARDISTY. With few exceptions, all of my top priority requirements are funded in the fiscal year 1991 budget. Areas in which we have continuing deficiencies, such as preferred modern munitions sustainability, are being considered by the services as they develop their fiscal years 1992–1997 Program Objectives Memoranda (POMs). I will participate in a review of the POMs in a few months. In keeping with established DOD policy, Planing/Programming/Budgeting System materials, which include Integrated Priority Lists, are not released outside DOD.

OPERATION EARNEST WILL

Senator McCAIN. Now that 2 years have elapsed since the peak of Operation Earnest Will, what are the main lessons you draw from this operation and how do these affect your future planning and programming priorities?

Admiral HARDISTY. Operation Earnest Will, which still continues today, demonstrates the resolve of the United States to protect its interests worldwide. Main lessons from the operation can be drawn from the joint interoperability among the services, combined operations with other countries, execution of complex operations under a Joint Task Force command structure (including combat operations), and the network of logistical support required to sustain operations.

REDUCTION OF CARRIERS

Senator McCAIN. Various previous witnesses have discussed a possible reduction in naval forces to 11 or 12 carriers. How would such reductions in the carrier force affect your operations?

Admiral HARDISTY. We would not be able to meet our current commitments if the naval forces were reduced to 11 or 12 carriers. [Deleted.]

We are at the point now where a reduction in CVBGs in the Pacific would require a reduced commitment and "surge" deployments to meet contingency requirements. [Deleted.]

V-22

Senator McCAIN. To what extent do you feel that the V-22 would have unique contingency value in your operations? Could you discuss this incremental contingency value in detail?

Admiral HARDISTY. Combining the helicopter's ability to operate from undeveloped landing areas and amphibious ships and the fixed-wing ability to operate at greater ranges would significantly improve my flexibility and capability to respond quickly and effectively to conflicts across the intensity spectrum. These capabilities would also be well suited for non-conflict situations such as disaster relief and humanitarian assistance where developed airfields are unavailable or unusable and short notice, rapid self-deployment are crucial. The capabilities envisioned in the V-22—or an equivalent aircraft—would increase the response options available and reduce dependence upon already strained strategic and tactical airlift.

SOVIET FORCES

Senator McCAIN. Could you provide a detailed analysis of the changes in the organization, readiness, and equipment and manpower strength of the Soviet forces opposing you, and which might be projected in the area over the next few years?

Admiral HARDISTY. ORGANIZATION: SOVPACFLT has reorganized forces to improve defensive warfighting capabilities. [Deleted.] SOVPACFLT's current organization is not expected to change over the next several years. [Deleted]. Soviet ground forces have been restructuring over the last several years. Unit withdrawals, deactivations, or assignments to other military districts have taken place in concert with equipment and weapon system improvements. This restructuring emphasis of replacing "quantity with quality" portends the creation of a smaller, but still quite capable force.

READINESS: SOVPACFLT readiness has not improved or declined appreciably since 1985, and is expected to remain constant over the next several years. At sea training has been reduced 10-15 percent to conserve resources, but this reduction has been offset by an improved training syllabus. Soviet Air Force readiness continues at the high levels noted in recent years, despite perestroika. The number of training exercises in the Far East theater of operations (FETVD) has diminished only slightly. A significant increase in the number and complexity of combined forces exercises indicates better integration of forces and more efficient training are giving the Soviets more bang for their military rubles. [Deleted] significantly reduced at this point.

EQUIPMENT: SOVPACFLT is steadily modernizing forces by introducing newer systems and removing/scrapping older ones. [Deleted.] Overall, units between 25-30 plus years old are being removed from the order of battle and replaced by new and more capable platforms. [Deleted.] The Soviets are steadily modernizing their air power forces in the Far East. Introduction of fourth generation fighters like the MiG-31/FOXHOUND and Su-27/Flanker has significantly raised air defense and intercept capabilities. In the last decade, aging bombers like the BISON, BEAR A, and BEAR B/C have been replaced by the modern and more capable BACKFIRE, BEAR G, and BEAR H. [Deleted] continued upgrading to fourth generation fighters will more than outweigh any numerical reduction in terms of air forces capability. The Soviet bomber force will remain as threatening as now, with additional BACKFIRES and BEAR G deployments expected. The FETVD is also witnessing significant upgrades in intercontinental ballistic missiles (ICBM). Force upgrades include improved versions of their heavy ICBM, the SS-18, and introduction of two new mobile systems, the SS-24 Mod 1 and the SS-25. [Deleted.] The Far East Theater is likely to receive upgraded equipment more quickly than in the past, when first priority went to the Western Theater opposite NATO.

MANPOWER: Current SOVPACFLT strength is estimated at 112,000. [Deleted.] We expect President Gorbachev will follow through with announced reductions of 11 air divisions totalling an unspecified number of troops over the next few years. We expect that much of the announced reductions will be reorganizations, not a complete loss of personnel. President Gorbachev announced 120,000 personnel would be reduced in the Far East. [Deleted.]

MISSION CAPABILITIES

Senator McCAIN. What is your opinion of the value of our battleships? What will the impact of eliminating two battleships be on your mission capabilities, and on your ability to use SLCMs?

Admiral HARDISTY. Although the Battleship Battle Group (BBBG) is not equal to a Carrier Battle Group (CVBG) in either its warfighting capability or its impact in a naval presence role, a BBBG can offer flexibility in CVBG employment and some relief from the employment demands of overextended aircraft carriers.

BBBG can deploy to the Indian Ocean to provide short duration relief to bridge the gap between CVBG deployments, thereby reducing CV commitment to this area and increasing interval between CV deployments.

The BBBG is particularly well suited for establishing and maintaining a naval presence in peacetime. A broad range of offensive capabilities, from long-range TOMAHAWK strikes to accurate, sustained naval gun shore bombardment of military targets, gives it high deterrent value. The BBBG can be deployed to participate in operations with allies and other friendly navies. The BBBG should be used to introduce an element of unpredictability in our forward deployment patterns. Its substitution for CVBG's on a case-by-case basis can help reduce the operating tempo of aircraft carriers and make them available for other operations.

A BBBG can provide a significant naval presence independent of a CVBG. This provides a clear, positive demonstration of U.S. presence and commitment and can have a major deterrent effect.

A BBBG could be substituted for a CVBG in bilateral or national exercises, thereby freeing CV for other commitments.

The option to use a BBBG to respond to a crisis situation gives a signal of measured concern and readiness to commit significant U.S. forces. This graduated response could buy time for diplomatic initiatives and provide the NCA another credible option.

Elimination of one battleship from the Pacific Fleet will affect our ability to use SLCMs until sufficient capability has been gained from the commissioning of additional VLS equipped AEGIS and ARLEIGH BURKE class ships.

SEALIFT/AIRLIFT CAPABILITIES

Senator McCAIN. To what extent can improved sealift provide the redeployment capability we will need for power projection? To what extent does improved sealift have a higher contingency priority than funding the C-17, assuming currently projected budget constraints?

Admiral HARDISTY. While reduced risk of war may allow prudent reduction of forces, quick reinforcement capability will still be essential. CONUS-based forces will only be a credible power projection deterrent if we have the strategic mobility to get them where they are needed—when they are needed. Airlift and sealift must complement each other. Airlift is vital in the early stages of a contingency to deploy unit cargo and passengers to attain air and ground superiority as soon as possible. Sealift is needed to transport large amounts of non-unit resupply and non-air transportable cargo.

NAVAL ARMS CONTROL IN PACIFIC

Senator McCAIN. What is your view of the current options for naval arms control in your area of operations?

Admiral HARDISTY. An environment of improving East-West relationships provides unique opportunities to pursue a number of measures that can lessen tension and reduce the likelihood of conflict in the Pacific. Naval arms control will not do that. There is no context in which Naval arms control makes any sense from a U.S. perspective. Consider the following:

—The most severe threat to U.S. and Soviet mutual security exists on the ground in Europe. It is certainly appropriate to address ways to eliminate force asymmetries that lead to unstable conditions in Europe. However, naval forces don't contribute to instability on the central front (nor anywhere else for that matter). If the goal of arms control is to increase mutual security, talks about naval forces are simply not germane.

—Warsaw Pact nations (including the Soviet Union) don't rely on the sea for their security. On the other hand, the importance of the world's ocean links are the most striking characteristic of U.S. security relationships with NATO, Japan, Korea and most of our other allies and friends. Naval arms control measures address forces vital to Western security while impacting elements of Eastern security only at the margin, if at all. The Soviets have virtually nothing to lose. We have virtually nothing to gain.

—U.S. Naval forces have a global role. In the more than 200 instances of the use of U.S. military power since World War II, 85 percent have been outside of the context of NATO. The U.S. Naval force structure is important to American interests independent of the Warsaw Pact. And even in the event of direct confrontation, our Naval forces do not threaten Warsaw countries' national survival the way their ground forces threaten that of NATO nations.

Instead of naval arms control we should be talking about:

—Reducing Tension in Korea. Korea is the last active battle ground in the cold war and, perhaps, the most dangerous place in the world. There is no reason why the regimen of confidence-building measures that have been so successful in Europe cannot be applied to the Korean peninsula. Those CBMs could certainly lead to significant troop and arms reductions along the lines of the CFE model. Our efforts in Korea will never succeed without active Soviet participation. We need to challenge the Soviets to end the cold war in Korea.

—Reducing Tension with Japan. Our dealings with the Soviet Union in Northeast Asia must stress up front the absolute imperative for formally ending the state of belligerency between the U.S.S.R. and Japan, including the return of the occupied Japanese northern territories. We need to challenge the Soviets to end World War II.

—Reducing Tension in Southeast Asia. Soviet moves to date in Southeast Asia have centered almost exclusively on accommodating the interests of China. They must go farther, however, and exert the full force of their influence toward stabilizing the situation in Cambodia. We need to challenge the Soviets to end the conflict in Indochina.

—Constructively Engaging the Soviet Union. We must recognize legitimate Soviet concerns regarding U.S. Naval power. Our approach should be to establish a dialogue within the Incidents at Sea Forum to examine potential CBM's at sea that are not asymmetrical or terribly intrusive and do not limit freedom of the seas.

SOVIET FORCE TRENDS

Senator McCain. Could you provide a detailed breakout of the trends in U.S. and Soviet naval, air, and power projection strength affecting your area of operations between 1980, 1985, and 1989? What are the major risks imposed by the improvements in Soviet forces in each category? How have these affected the overall balance of capabilities?

Admiral Hardisty. Air Forces—The Soviet air forces in the Far East significantly increased in power during the 1980s. Old, outdated fighters were scrapped and replaced with fourth generation fighters. [Deleted] but an upgrade to more capable air defense and intercept aircraft makes Soviet forces even more formidable. [Deleted.] Intermediate range missile forces have been eliminated under INF, but new deployments of ICBMs have potentially taken their place. REVIEW OF AIR POWER PROJECTION FORCES 1980–1999:

[Deleted.]

Naval Forces

SOVPACFLT did not appreciably improve power projection capabilities during the 1980s [deleted]. Although forces are modernizing, weaknesses in anti-submarine warfare technology and the ability to control waters outside the range of land-based air-cover, and the lack of available troop lift will preclude SOVPACFLT from conducting offensive actions away from the Asian landmass.

[Deleted.]

A review of power projection forces over the last 10 years reveals no appreciable improvement in numbers or capabilities. Over the next 5 years, the only significant improvement we expect is the addition of a TBILISI-class aircraft carrier. This platform will enhance SOVPACFLT's ability to provide aircover for operations [deleted].

U.S. FORCE LEVELS

Senator McCain. Could you discuss in detail the minimum U.S. force strength you feel will be necessary to support your mission in current planning contingencies, and indicate any shortfalls not funded in the current budget and FYDP.

Admiral Hardisty. In an economy-of-force theater such as the Pacific, our relatively small number of forward deployed forces pay disproportionately large dividends in the form of stability and U.S. influence in the region. Although some adjustments can and will be made, given my current commitments, I cannot foresee major cuts in the Pacific. At this time I know of no major shortfalls in the current budget or FYDP.

BURDENSHARING

Senator McCain. What are the latest trends in allied offset and burdensharing efforts to reduce the cost of deploying U.S. forces?

Admiral Hardisty. In the Pacific, the trend is very favorable as both Japan and the Republic of Korea have increased their contributions to offset U.S. stationing costs. Both nations fund many programs which offset direct costs which the U.S. Government would otherwise pay to station forces overseas. Each nation recognizes and accepts this cost sharing principle and bilateral discussions continue to increase these contributions further.

In recent years, the trend for Japan's host nation support has been increasing at a rate exceeding support to its own self-defense force. For 1990, the Japanese will be offsetting approximately 40 percent of U.S. stationing costs. In Korea, host nation support has started from a smaller base; however, it is increasing at a commensurate rate. In 1990, ROK agreed to increase direct contributions by $80 million. Sizable increases are expected in the near term.

Overall, we see a growing recognition and willingness to shoulder more of the costs of U.S. forces in both Korea and Japan. In addition, we expect the focus of those contributions to center upon direct dollar costs and less upon indirect offsets to the U.S.

FORWARD DEPLOYMENT

Senator McCain. A great deal of discussion is now taking place about the need to find alternatives to forward deployment. What alternatives do you feel exist, and what risks do they impose? How would this assessment change if we should lose basing rights in the Philippines?

Admiral Hardisty. Foreign bases enhance deterrence, contribute to regional stability, allow U.S. forces to reduce their response time in meeting threats, and enable the United States to implement its defense strategy in a more cost-effective manner. [Deleted.]

Abandoning the concept of forward defense through forward presence would place U.S. national security interests at risk, reduce regional stability, and signal a weakening of U.S. resolve to maintain its world leadership role.

Losing basing rights in the Philippines would not alter our fundamental commitment to a forward deployed strategy. Cost-effectiveness would be reduced but U.S. national security interests will continue to mandate our presence in the Southeast Asia/Indian Ocean region.

This presence would probably amount to smaller operations at more locations either in the form of permanent or temporary deployments. For example, increased temporary deployments of USAF fighter aircraft, increased through flights of cargo aircraft, increased U.S. Navy presence, increased troop exchanges and exercises, etc.

NET ASSESSMENT

Senator McCain. Please describe your net assessment activities over the last 2 years in detail? What further improvements do you expect to make in such activities?

Admiral Hardisty. We contribute extensively in the review process of the Chairman's Net Assessment for Strategy Planning (CNASP), now incorporated into the National Military Strategy Document, and the Joint Military Net Assessment (JMNA). The USCINCPAC staff, Service component headquarters, and subordinate unified commands review drafts of these documents and provide, through USCINCPAC, comments, recommendations, and observations. USCINCPAC concerns have been adequately addressed in these assessments.

USCINCPAC participation in the joint analysis conducted in support of the JMNA has been limited by geographical separation precluding timely input/responses. The scheduled installation of the Internetted Warfighting Analysis Capability (IWAC) in USPACOM will contribute significantly to USCINCPAC's participation and input into the Joint Wargame Analysis and the JMNA.

Internally, USCINCPAC conducts semi-annual computer assisted wargames that provide an assessment of our capability to execute assigned tasks. Issues surfaced during these wargames often lead to a follow-on detailed analysis/assessment of a specific area or issue. Examples include the Japanese Sea Lane Defense Study, the Philippine Mobility Study, and the on-going Korean Global War Study. At the Strategic level, we have an on-going program that assesses our regional and country specific strategies and recommends strategy updates/changes. An example is our 2010 Strategy Study, an assessment of what the future strategy in the Pacific should be.

AMMUNITION STOCKS

Senator McCain. What are our ammunition warfighting stock levels expressed in days of supply and tons? What are the programmed buys and what impact will they have in bringing the levels up to requirements?

Admiral Hardisty. Ammunition war fighting stock levels are expressed in days of supply (DOS) for level-of-effort (LOE) munitions and percent for threat munitions. Gross tonnages are tracked for Army and Air Force munitions but not for Navy.

[Deleted.]

The fiscal year 1991 budget for conventional ammunition decreased by $.5 billion, to $2.6 billion, the lowest level in a decade.

The Army budget was reduced by approximately $485 million and the Navy was reduced $87 million. Both the Air Force and Marines increased by approximately $36 million.

Increased funding for certain high priority programs, such as TOW 2 and STINGER missiles for the Army, AMRAAM and TACIT RAINBOW for the Air Force, and AMRAAM, TOMAHAWK, and MK-48/50 torpedoes for the Navy will improve our sustainability for these munitions. However, because of reduced funding due to production backlogs, development delays, and late contract awards, USPACOM's overall sustainability posture will not significantly improve.

SHORTFALLS

Senator McCain. I gather there have been significant cuts in PERSTEMPOs and shortfalls in material readiness. Could you provide a detailed list of these cuts and shortfalls, showing the size of the reduction and the shortfall.

Admiral Hardisty. PERSTEMPO is a Navy scheduling program which sets standards for the ratio of time at sea (or deployed) and time in home port (at home station). The program addresses the quality of life issue of how much time personnel can expect to spend away from their families or out of home port. The Navy has not changed these standards since their inception in 1985, and requires CNO approval of deviations. PACFLT is currently meeting or exceeding these guidelines with very few exceptions.

The only impact on PERSTEMPO in the foreseeable future will occur if ships are deactivated or units reduced while operational requirements remain the same—an equation which would drive up the OPTEMPO for the remaining ships or units. PACFLT will strive to continue meeting the Navy's PERSTEMPO goals by employing current scheduling review procedures, and will be considering adjustments to operational requirements in light of programmed reductions.

Army material shortfalls continue to be fielding of Single Channel Ground Air Radio System (SINGARS) communications equipment and receipt of due-out mobility items (3/4 ton trailers, semi-trailers, shop vans). All services continue to have inadequate supplies of training munitions.

JOINT MILITARY NET ASSESSMENT

Senator McCain. Could you describe the contribution PACOM made to defining the scenario used as the basis for this year's Joint Military Net Assessment (JMNA)? Do you feel that the scenario used in the JMNA is an accurate representation of the threat that you confront?

Admiral Hardisty. Since the fiscal year 1990 JMNA has not been distributed, this answer is based on the draft fiscal year 1990 JMNA that was distributed for comment in December 1989.

Prior to distribution of the draft fiscal year 1990 JMNA, USCINCPAC comments on the scenario and functional assessments of the JMNA were requested. The USCINCPAC staff, Service components commands, and subordinate unified commands provided, through USCINCPAC, their comments and recommendations. USCINCPAC concerns are adequately addressed in the draft JMNA. The draft document portrays an accurate assessment of the international and regional environments, as well as the threats faced in the Pacific today.

SUSTAINABILITY

Senator McCAIN. Sustainability problems, particularly ammunition deficiencies, have long been referred to as potential war stoppers. Do you feel that the potential impact of sustainability problems is adequately addressed in this years JMNA?

Admiral HARDISTY. [Deleted.]

REGIONAL WAR REQUIREMENTS

Senator McCAIN. Looking at the regional war requirements, if there was a regional situation that developed in another part of the world, what would the impact be on your ability to fulfill your contingency requirements?

Admiral HARDISTY. [Deleted.]

AMPHIBIOUS LIFT REQUIREMENTS

Senator McCAIN. Is there currently adequate amphibious lift capability dedicated to your command to execute contingency amphibious lift requirements? If not what is the shortfall?

Admiral HARDISTY. If one calculates capability strictly on the basis of ships assigned, the result depicts a higher capability than is actually available. In the real day to day world, maintenance requirements, ship engineering casualties, forward deployed ARGs and peace-time requirements significantly degrade our organic amphibious lift available to respond to real-time contingencies. Since overall DON amphibious lift capability is below stated requirements due to fiscal constraints, war or crises in another theater which utilizes scarce amphibious ships, reduces any amphibious flexibility to respond to contingencies. Through careful integration of our MPFs, strategic airlift, in-place forward deployed ARG/MEU, and available amphibious lift, we have a balanced, responsive Naval contingency capability available. Of greater concern is the future requirement for contingency amphibious lift. The use of amphibious lift to support domestic and other nonamphibious contingencies such as the Alaska oil spill clean-up, lengthy Persian Gulf support deployments, detachment as fleet and force flagships, special intelligence operations, and disaster relief is ever expanding. With the almost certain possibility of reduced/restricted USPACOM land bases in the future and considering the vast expanse of the Pacific theater, we anticipated an expanded use of amphibious lift to compensate for a declining base structure. Amphibious task forces with the aviation assets that support them are the most logical alternatives for forward based land forces. Although there may be future reductions in our defense establishment, we anticipate the continued requirement to sustain forward deployed forces on a continuous basis. If future force adjustments reduce USPACOM Air Force and Army forward deployed forces, the requirement for Naval forward deployment will be more critical and may even increase. Additionally, as we approach the block obsolescence of many amphibious ships in the period 2000–2010, a strong amphibious shipbuilding program is required to maintain contingency lift capability.

Senator McCAIN. To what extent are the changes taking place in Soviet and East European military capabilities affecting your current strategy and force requirements?

General MENETREY. To date, the changes taking place in the Soviet Union and Eastern Europe have had no apparent impact on the regime in North Korea, other than to motivate the leadership to clamp down even further on the population through intensified indoctrination and propaganda. There is no perestroika and no glasnost in North Korea; rather, the North is solidifying its ties to the Peoples' Republic of China, as both resist the changes sweeping the rest of the Communist world.

North Korea's large, heavily armed, and forward deployed military forces constitute an undiminished threat to the Republic of Korea. Our strategy of deterrence is designed to maintain the armistice on the Korean peninsula. The U.S.-ROK defense team structures and trains our forces to make that strategy credible. Should deterrence fail, these same forces, alone with reinforcements from off the peninsula, are prepared to fight and win.

Senator McCAIN. What overall changes, if any, do you feel are needed in our power projection and maritime strategy over the next few years.

General **Menetrey**. Defer this question to USCINCPAC, as the headquarters most appropriate to address power projection and maritime strategy in the Pacific.

Senator McCain. To what extent are these changes funded in the fiscal year 1991 budget and the current FYDP?

General **Menetrey**. Defer this question to USCINCPAC, as the headquarters most appropriate to address power projection and maritime strategy in the Pacific.

Senator McCain. Yesterday's paper mentioned that this year's planning guidance is being changed. Could you discuss your changing planning priorities?

General **Menetrey**. As yet, we have not received any changes to our planning guidance. We do know that the Joint Strategic Capabilities Plan (JSCP) scheduled for publication in December has been placed on hold, pending analysis of possible force structure reductions. We are, however, examining a series of possible changes to in-place and augmentation forces to determine what possible impacts might be. [Deleted.]

I should reemphasize that these studies are entirely speculative at this time and any mission and force structure changes should be based on as yet unrealized changes in our primary threat, North Korea, and actual improvements in ROK military capabilities.

Senator McCain. The contingencies you see as most serious?

General **Menetrey**. Obviously the most serious scenario is a global conflict with the Soviet Union, supported by their allies and surrogates. This scenario [deleted].

Senator McCain. The extent to which the fiscal years 1991 to 1995 defense budget and program provide you with the resources you need?

General **Menetrey**. At our current level of analysis, the fiscal year 1991 budget appears to meet our minimum resource requirements. What is not clear at this point is the extent of the force structure reductions [deleted].

Senator McCain. What forces are currently assigned to you that shape your capabilities in each planning contingency?

General **Menetrey**. As of February 1990, USFK consists of the following in-place combat forces:

Army: [Deleted.]

Air Force: [Deleted.]

Naval: [Deleted.]

Senator McCain. What forces are allocated and/or used for planning?

General **Menetrey**. In addition to the in-place forces listed previously, the following major augmentation forces are allocated [deleted].

Senator McCain. [Deleted.]

General **Menetrey**. [Deleted.]

Senator McCain. How are these forces currently planned to change during fiscal years 1991-1995?

General **Menetrey**. This question must be addressed in two parts. There are programmed changes and recent budget proposals, both inconsistent with each other. Regarding planned changes, [deleted].

Deactivating the 15th Tactical Reconnaissance Squadron at Taegu Air Base (AB) and the designation of Taegu AB is a Collocated Operating Base (COB);

Relocating the 19th TASS and its OA-10 aircraft from Suwon AB to Osan AB and subsequent redesignation of Suwon AB as a COB;

Reducing U.S. presence at Kwangju AB and Kwangju's redesignation as a COB.

On the plus side, ROK plans to procure/produce the F/A-18 aircraft will greatly enhance our capabilities. Optimistically, they could have an operational squadron as early as 1993.

Senator McCain. What are the major risks and shortfalls in military strength and capability affecting each contingency?

General **Menetrey**. [Deleted.]

Senator McCain. What major planning activities do you now have underway or participate in that might change these answers?

General **Menetrey**. [Deleted.]

Senator McCain. To what extent have you conducted net assessment or participated in them to help shape these answers, and your planning and programming activities and inputs?

General **Menetrey**. We have conducted and participated in a number of assessment programs, with the goal of identifying shortfalls, requirements for improvements and recommended fixes.

The basis for all of our planning and programming activities is the Combined Forces military requirements list. This process analyzes the results of our combined exercises and war games to produce a prioritized list of U.S. and ROK requirements which are presented to the Military Cooperation Meeting (MCM)/Security Consultative Meeting (SCM) for resolution.

The U.S. issues from the military requirements provide the basis for the USFK Integrated Priority List (IPL). These issues are supplemented with other U.S. generated requirements, prioritized and submitted to USPACOM for consideration in their IPL process.

The CINC's Preparedness Assessment Report (CSPAR) is prepared biennially and provides a comprehensive staff estimate of the capabilities and shortfalls of USFK. This report is also provided to USPACOM as the joint USFK input to the USCINCPAC CSPAR.

Additionally, we are working with USPACOM to conduct an assessment of the capabilities of Combined Forces Command/USFK to defend the ROK [deleted].

Finally, this year we are participating in the Joint Staff Joint War Game Analysis-Conventional (JWAC) in an advisory capacity. The results of this war game will be used by the Joint Staff in the production of the Chairman's Net Assessment for Strategic Planning (CNASP), Joint Military Net Assessment (JMNA), conventional arms reduction talks, start negotiations and force structure analysis.

Senator McCAIN. Various previous witnesses have discussed a possible reduction in Naval Forces to 11 or 12 carriers. How would such reductions in the carrier force affect your operations?

General MENETREY. [Deleted.]

Senator McCAIN. To what extent do you feel that the V-22 would have unique contingency value in your operations?

General MENETREY. [Deleted.]

Senator McCAIN. Could you discuss this incremental contingency value in detail?

General MENETREY. There is none.

Senator McCAIN. Could you provide a detailed discussion of the military developments taking place in the North and South Korea?

General MENETREY. North Korea: North Korea continues a military force improvement program that was initiated during the 1970's and accelerated during the 1980's. The program is clearly designed to enhance the North's capability to unify the peninsula under Pyongyang's control. Developments have featured an increase in force strength, substantial organizational restructuring, equipment increases and qualitative upgrades, forward redeployments, enhanced capability to achieve surprise, and improved sustainability for both logistics and personnel.

[Deleted.]

Supporting the military force is an unusually large military industrial sector that has continued to expand [deleted].

South Korea: ROK force improvement and modernization efforts are shown by ROK armed services below:

ROK Army (ROKA). In recent years, ROKA has embarked upon a vigorous modernization program which, upon completion will result in a heavier, mechanized force structure, a modernized combat aviation capability, and improved air defense, signal, and intelligence assets. These changes will provide Korea the capability to conduct sustained conventional operations in defense of the Republic. Major or planned force improvements projects include:

A. Production and fielding of the K-88, a modern main battle tank.

B. Planned production of K-88 derivative recovery vehicle and armored vehicle launched bridge.

C. Production and fielding of a Korean infantry fighting vehicle and several derivative combat/combat support vehicles (mortar carriers, command post, NBC, recovery, TOW, and ammunition vehicles).

D. Co-production and fielding of M-109A2 155mm self-propelled howitzer.

E. Planned acquisition of AN/TPQ-36 artillery locating radar.

F. Ongoing and anticipated acquisition of modern munitions (including smart munitions).

G. Continued acquisition of improved TOW missiles (acquisition of TOW II missiles is anticipated within 4 years).

H. Planned co-production of the M-9 armored combat earthmover.

I. Licensed production of the ribbon bridge.

J. Planned co-production of a scout/light attack helicopter.

K. Ongoing procurement of mimex UH-1H helicopters and potential co-production of additional light utility helicopters.

L. Planned co-production of medium utility helicopters.

M. Ongoing procurement of attack helicopter (AH-1S) and future procurement of the AH-64 Apache helicopter.

N. Ongoing procurement of heavy lift helicopters (CH-47D).

O. Ongoing procurement of modern aircraft survivability equipment for the entire aviation fleet.

P. Improved logistics support system for the aviation fleet.

Q. Planned modernization of aircraft traffic control facilities.

R. Commercial contracts with U.S. contractors to produce and install Hawk PIP II.

S. Planned acquisition of improved man portable air defense missile systems.

T. Planned replacement for the aging Nike Hercules missile system.

U. Planned procurement of electronic support measures and electronic countermeasures devices; heliborne IEW and unmanned aerial vehicles (UAV).

V. Planned procurement of tactical frequency hopping radios, improved high frequency radios and mobile subscriber equipment.

These programs when completed will combine to significantly enhance the warfighting capability and self-reliance of ROKA.

ROK Air Force (ROKAF). Over the past 10 years the ROKAF has made significant strides toward self-sufficiency and modernization. The most recent development was the decision to co-produce 120 F/A-18 fighter aircraft in conjunction with McDonnell Douglas. The F/A-18 will complement 36 F-16 aircraft already part of the ROKAF inventory. Four more F-16s will be delivered in 1992. ROKAF F-16s will also be modified to use the low-altitude navigation and targeting infrared for night system which gives night and all-weather capabilities. Purchases of F-4E aircraft continue as older aircraft are phased out of the USAF inventory. Korea's C-130 acquisitions will go far toward resolving a critical shortfall in tactical airlift. The ROKAF significantly upgraded its tactical reconnaissance capability by the recent addition of 12 RF-4C aircraft. Six more RF-4C's will complete the ROKAF buy that also includes sophisticated sensor systems. ROKAF is studying an AEW (airborne early warning) platform to augment their air defense. An airborne radar will significantly increase the ROKAF's command and control and overall effectiveness. ROKAF is expected to buy the AIM-9S, an export version of the AIM-9M, the U.S. State-of-the-Art missile. Also expected acquisition of beyond-visual-range radar missiles in addition to the AIM-9S will greatly increase the effectiveness of their air power.

ROK Navy (ROKN). During the past 10 years, the ROKN embarked on an improvement program designed to strengthen its ability to perform its naval missions. Particular attention has been directed to anti-submarine warfare, mine countermeasures/harbor defense, amphibious warfare, fleet replenishment, anti-surface warfare, maritime patrol, and coastal defense. Long-range plans include continuing indigenous shipbuilding programs, e.g., advanced destroyer, fast frigate, patrol corvette, mine hunter, missile patrol craft, submarines, amphibious ships, and fast combat stores ship, and replacement of fixed and rotary-wing aircraft.

ROK Marine Corps (ROKMC). The ROKMC is seeking to modernize its forces with special emphasis on increasing its amphibious assault capabilities. New acquisitions (planning and review document) for additional amphibious assault vehicles have been submitted. M-47 tanks are being replaced with M-48 and the new K-88 tanks.

Senator McCain. Indicate the quantitative and qualitative impact of South Korea's recent and planned defense program in establishing a stable military balance.

General Menetrey. Recent and planned acquisition of military weapons and systems are geared toward improvement, modernization and the filling of shortfalls in the ROK Armed Forces. These modernization efforts will provide a higher degree of Korean self-sufficiency. This, in turn, should lead to reduced U.S. military presence and create a more stable military situation. Newer and more capable weapon systems will offset comparable modernization efforts in North Korea. Increased emphasis on defense preparedness will send a clear signal to North Korea about the Republic of Korea's resolve to defend itself. ROK Ministry of Defense goal is to reach a 70 percent parity (in the numbers of weapons systems) with North Korea by the mid/late 1990s.

Senator McCain. To what extent do you believe South Korea could make a larger defense effort, given its emerging status as a newly industrialized country?

General Menetrey. The ROK defense budget for calendar year 1990 is $9.6 billion representing 4.5 percent of their projected gross national product (GNP) of $221.4 billion. Approximately $3.52 billion (36.7 percent) of their 1990 defense budget is planned for acquisition of improvement/modernization/shortfall military equipment. This high value for investment is the result of very austere funding for personnel costs (most of their enlisted soldiers are conscripted and serve between 27 and 30 months). Funds for quality of life costs for their military personnel are also extremely austere. While it is possible for the ROK Government to increase its defense spending somewhat beyond 4.5 percent of GNP, spending on their force improvement plan cannot be easily accelerated. The mere purchase of equipment does not translate into increased military capability. It takes many years to field a major new weapon system. For example, the selection of McDonnell Douglas as the primary contractor for co-production of the F/A-18 fighter aircraft in December 1989 may result in delivery of the first aircraft in 1993 with full fielding well into the late 1990s. A higher percent of their GNP for defense will mean less funds for social/economic/education programs which may lead to unrest and instability.

Senator McCAIN. What is your assessment of the military impact of the Korean fighter project?

General MENETREY. The Korean fighter program (KFP) is a measured ROKAF response to three realities: (1) A needed replacement for aging aircraft, (2) a counter to the present and predicted North Korean threat, and (3) the ability to assume missions now performed by the USAF. Postponement of the aircraft decision for KFP until December 1989 will cause some delay in the fielding of a replacement for F-5 and F-4 fighters in the ROKAF, but does not meaningfully jeopardize their force improvement plans. The timing for introduction of the F/A-18 is sufficient to provide a replacement aircraft, while offering a significant upgrade to their entire fighter fleet. The North Korean Air Force now boasts a Top-of-the-Line Soviet built fighter, the MiG-29. ROKAF views the aircraft as a significant threat, and places great credibility on its beyond-visual-range (BVR) missile capability. ROKAF has that same capability only on its aging F-4's. The F/A-18 will give them a demonstrated BVR capability and provides for upgraded air-to-air missiles in the future. Although the ROKAF F-4's and F-16's now in their fleet effectively counter the MiG-29, KFP gives a psychological, and qualitative, edge to the ROKAF with its BVR missile, maneuverability, and State-of-the-Art electronics. Introduction of the F/A-18 will shift any perceived balance of air power to the ROK. The ROKAF is building up and modernizing its fighter inventory with the realization that very soon it will be responsible for all roles necessary for defense of the peninsula. The F/A-18 provides a credible air defense and ground attack capability well into the next century, complementing ROKAF F-16's. The KFP should ease the minds of defense planners in both the Republic of Korea and the United States as American presence on the peninsula begins to wane.

Senator McCAIN. Do you support this project?

General MENETREY. The KFP is an excellent addition to the ROKAF fighter inventory. It continues an aggressive modernization program that will allow them to eventually defend the Republic of Korea on their own. The F/A-18's that will join the ROKAF fleet will be more sophisticated than any threat South Korea will face for the foreseeable future, and provide an upgraded Air-to-Air capability which the ROKAF does not now have. Further, the KFP will provide interoperability with the U.S. military should our forces ever need to fight together. For these reasons, not to mention the economic benefits to our two countries, I wholeheartedly support the Korean fighter program. The U.S. share of this $4.2 billion program is estimated at $3.0 billion. It will create 23 million man-hours of work in the U.S. and involves over 1,500 U.S. suppliers. In addition, the U.S. will recoup $162 million in F/A-18 research and development costs.

Senator McCAIN. What is your opinion of the value of our battleships in your area of operations?

General MENETREY. The battleship is second only to the aircraft carrier in its ability to contribute to the defense of the Republic of Korea. Its greatest strength is naval gunfire support of amphibious operations, as well as operations ashore. With its 16-inch guns, the battleship is the only naval gunfire platform capable of destroying hardened facilities. Additionally, the extreme tidal ranges and the shallow waters off the west coast of Korea require ships to stand off further from the shore. Consequently, the battleship is the only ship which has guns that can range all coastal targets. [Deleted.]

Senator McCAIN. What has the impact of eliminating two battleships been on your mission capabilities?

General MENETREY. Without the 16-inch guns of the battleships, there will be no ships capable of providing effective naval gun fire against hardened targets. Naval gunfire support of amphibious operations will be adversely affected, as well as the ability to interdict enemy forces operating in the coastal areas with naval gunfire. It is extremely difficult to replace the firepower of a battleship with the 3-inch guns available on other vessels.

Senator McCAIN. What has the impact of eliminating two battleships been on your ability to use SLCMs?

General **Menetrey**. The use of Tomahawk (TLAM–C) is important during the early stage of a conflict, since its use against heavily defended sites can reduce friendly aircraft losses. Once air supremacy is attained, the need for TLAM–C diminishes. The loss of the battleships will require alternative and perhaps more costly measures to attack heavily defended targets.

Senator **McCain**. To what extent can improved sealift provide the deployment capability we will need for power projection?

General **Menetrey**. Sealift is an important component of our power projection capability. Sealift is the only efficient means of deploying heavy forces and sustaining medium to large scale combat operations. Improved sealift, in terms of number of ships, load and unload efficiency and speed would make a significant improvement in deployability of forces in the Pacific theater. Nearly all of the ground combat forces, which augment USFK, deploy by sea, a process which is currently dependent on the availability of suitable shipping, located close to ports of embarkation. [Deleted.]

Senator **McCain**. To what extent does improved sealift have a higher contingency priority than funding the C–17, assuming currently projected budget constraints?

General **Menetrey**. Funding for the C–17 and improved sealift must be complementary. Neither can meet all, or even a significant majority of our contingency requirements alone. We must be able to strike a balance between our requirements for improved airlift and sealift. Airlift, provides deployment of quick reaction forces, movement of personnel to pre-positioned equipment stocks, resupply of critical ammunition and repair parts and selected major end items. Sealift on the other hand must be able to deploy heavy contingency forces worldwide and sustain combat operations for the vast majority of classes and items of supply.

Senator **McCain**. Could you provide a detailed break out of the trends in U.S. Naval, Air and power projection strength affecting your area of operations between 1980, 1985 and 1989?

General **Menetrey**. In a global scenario, naval and power projection strength indirectly affect our operations on the Korean peninsula, by providing security for the surrounding waters and SLOC's, and neutralizing external combat and logistic support for North Korea.

On the other hand, air strength of in-place and augmentation forces plays a major, direct role in our ability to conduct operations. The general trend since 1980 has been toward a much more capable force both through replacement of aircraft by more capable modern airframes and an increased number of aircraft.

[Deleted.]

Senator **McCain**. Could you discuss in detail the minimum U.S. Force strength you feel will be necessary to support your mission in current planning contingencies?

General **Menetrey**. [Deleted.]

Senator **McCain**. Indicate any shortfalls not funded in the current budget and FYDP.

General **Menetrey**. The current budget and FYDP provide a balance program for Korea and reflect the strength necessary to perform our current mission.

Senator **McCain**. What are the latest trends in allied offset and burdensharing efforts to reduce the cost of deployed U.S. Forces?

General **Menetrey**. The Republic of Korea (ROK) provides rent-free real estate for the use of U.S. Forces stationed in Korea and provides other support in the areas of personnel, operation and maintenance funding, logistics, materiel maintenance, construction, and use of training facilities. The U.S. also receives preferential utility rates and tax/fee exemptions. Total annual ROK support is estimated to be $2.2 billion, with $1.9 billion in the form of indirect support (to include rent-free land) and $300 million in direct contributions. Although South Korea has continued to increase cost sharing contributions annually, the Republic can and should do more. Presently, we are consulting with the ROK Government on a new multi-year cost sharing program which provides for substantial increases in direct cost sharing, as well as a support in a wide range of categories.

Senator **McCain**. A great deal of discussion is now taking place about the need to find alternatives to forward deployment. What alternatives do you feel exist to your present deployments in Korea?

General **Menetrey**. Until such time as the North Koreans abandon their goal of unifying the Korean peninsula by force, there is no viable alternative to the forward deployment of U.S. Forces. The bulk of North Korean forces are positioned well-forward, supported by extensive underground facilities and storage sites near the demilitarized zone. This posture masks the North's intentions and drastically reduces warning time of an attack. U.S. Forces must be positioned to signal U.S. resolve, provide deterrence, and respond in a timely and effective fashion if a conflict should erupt.

Senator **McCain**. What risks do they impose?

General **Menetrey**. While periodic adjustments in the structure and disposition of forward deployed U.S. Forces may be necessary, any change which contemplate a major departure from the strategy of forward deployment would run the risk of getting U.S. Forces to the fight too late to make a difference.

Senator **McCain**. Please describe your net assessment activities over the last 2 years in detail.

General **Menetrey**. Our basic assessment process is development of the combined forces military requirements. This process analyzes the results of our combined exercises and war games and produces a prioritized list of U.S. and ROK requirements which are presented to the MCM/SCM for resolution.

The U.S. issues from the military requirements provide the basis for the USFK integrated priority list. These issues are supplemented with other U.S. generated requirements, prioritized and submitted to USPACOM for consideration in their IPL process.

The CINC's preparedness assessment report (CSPAR) is prepared biennially and provides a comprehensive staff estimate of the capabilities and shortfalls of USFK. This report is also provided to USPACOM as the Joint USFK input to the USCINCPAC CSPAR.

Additionally, we are working with USPACOM to conduct an assessment of the capabilities of CFC/USFK to defend the ROK given [deleted].

Finally, this year we are participating in the Joint Staff Joint War Game Analysis Conventional (JWAC) in an advising capacity. The results of this war game will be used by the Joint Staff in the production of the Chairman's Net Assessment for Strategic Planning, Joint Military Net Assessment, conventional arms reduction talks, START negotiations and force structure analysis.

Senator **McCain**. What further improvements do you expect to make in such activities?

General **Menetrey**. During the next year, our operations research/systems analysis group will field a version of the integrated war game analysis, conventional (IWAC). This system will provide an additional tool for our continuing assessment and analysis program.

Senator **McCain**. What are our ammunition warfighting stock levels expressed in days of supply and tons?

General **Menetrey**. An individual force posture is provided:

[Deleted.]

U.S. Navy: The U.S. Navy has at least 75 DOS pre-positioned in the Pacific theater to support various operational contingencies. U.S. battle groups are deployed to the western Pacific with all ships at 100 percent stockage level (ship fill) for ammunition. The combatant ships carry approximately 3 DOS on board, the fleet support ships carry another 10 DOS of ammunition for resupply. Fleet support ships are resupplied from naval magazines in the Philippines, Japan, and Guam.

Senator **McCain**. What are the programmed buys?

General **Menetrey**. An individual force structure proposed answer is provided:

EUSA: HQDA develops the total army program for ammunition procurement. From this program, EUSA receives a fair share yearly allocation of warfighting sustainment munitions as determined by HQDA DCSOPS and distributed by the semiannual Committee for Ammunition Logistics Support (CALS) meeting. [Deleted.]

7AF: HQ USAF with inputs from PACAF and other combat commands, develops the total air force program for air munitions. From this program major commands (i.e. PACAF) receives a fair share of the yearly allocation of warfighting sustainment munitions, as determined through the Non-Consumable Annual Analysis (NCAA) process.

[Deleted.]

U.S. Navy: The U.S. Navy will continue to send their ships to sea at 100 percent of ammunition allowance. Maritime strategy and doctrine dictate the need for a strong maritime presence that is ready. Ammunition purchases in the future will support the ships and aircraft that the Navy is building. Reductions in number of ships will increase ammunition available but the limited ship numbers will reduce naval presence.

[Deleted.]

Senator **McCain**. What impact will they have in bringing the levels up to requirements?

General **Menetrey**. [Deleted.]

WRSA/ROKAF: The United States is the ROKAF's sole source of air-to-air missiles and guided anti-radiation bombs (HARM). FMS buys should continue to be supplemented with modern munitions program input. The FMS buys and modern munitions program input contributes to ROKAF's ability to stand alone in the air war.

U.S. Navy: The Navy's ammunition stockage levels need to be maintained at 100 percent. With the programmed budget reductions and reduction in ship numbers it will be increasingly difficult to maintain a strong maritime presence in theater. Forward prepositioned ammunition is essential to theater support of the Navy as a maritime deterrent force.

[Deleted.]

Senator **McCain**. What will be the shortfall in anti-armor capability of your command if the AH-64 program is terminated at current programmed levels?

General **Menetrey**. [Deleted.]

Senator **McCain**. What is the impact of this in terms of warfighting capability?

General **Menetrey**. [Deleted.]

Senator **McCain**. What is programmed to fill the anti-tank threat gap created?

General **Menetrey**. [Deleted.]

Senator **McCain**. What is the importance of the LHX program to your command?

General **Menetrey**. The Light Helicopter Experimental (LHX) will increase the warfighting capabilities of EUSA. The LHX has the ability to operate 24 hours a day in adverse environments while the current aircraft fleet is limited. The LHX common airframe will provide greater reliability, availability, and maintainability over current aviation assets and reduce logistical requirements. The LHX will provide a more versatile and agile aircraft than current aviation assets.

Senator **McCain**. How will it affect your projected mission capabilities?

General **Menetrey**. The LHX will allow better and greater aviation support to OPLAN 5027. The LHX, with extended range and speed, will allow deep strike missions against 2nd and 3rd echelon forces. With the state-of-the-art missions equipment package, the LHX will be able to give and receive orders, hand-off targets, and TAP into data MAP networks for updates, while masked beyond the Forward Line of Troops (FLOT). It can operate in a contaminated environment and survive a modern battlefield with the improved aviation survivability equipment to counter threat systems. The LHX will be a decisive factor in future battles on the Korean peninsula. EUSA needs the LHX to better support OPLAN 5027 and meet future threat capabilities.

Senator **McCain**. What is the full list of items on your integrated priority list for improvements in the U.S. Forces for your command? What elements are funded? What elements are not funded in the fiscal year 1991 budget and current FYDP? How does this lack of funding increase your risks?

General **Menetrey**. Improvements for U.S. Forces in Korea have been identified in the following functional areas: Land warfare; logistics and base operations; command, control and communications; strike/interdiction; combat support; intelligence, surveillance, and reconnaissance; special warfare; electronic warfare/command, control, and communications countermeasures. Top priority requirements are funded in the fiscal year 1991 budget, but at this time, it is impossible to determine exactly what issues will be fully funded and what risks will be encountered during the program years. In keeping with established DOD policy, details concerning planning, programming, budgeting system materials, which include the integrated priority list, are not released outside DOD.

[Whereupon, at 11:35 a.m. the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

THURSDAY, FEBRUARY 8, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS OF THE UNIFIED COMMANDS ORIENTED TO THIRD WORLD DEFENSE AND UNCONVENTIONAL WARFARE

The committee met, pursuant to notice, at 2:05 p.m. in room SH-216, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Kennedy, Warner, Thurmond, Cohen, Gorton, and Lott.

Committee staff member present: Richard D. DeBobes, counsel.

Professional staff members present: Robert E. Bayer, Richard E. Combs, Jr., Richard D. Finn, Jr., David S. Lyles, Michael J. McCord, and Frederick F.Y. Pang.

Minority staff members present: Romie L. Brownlee, deputy staff director for the minority, George K. Johnson, Jr., Ronald P. Kelly, George W. Lauffer, Durwood W. Ringo, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara Gallo, Melissa A. Ramsey, and Debra A. Rice.

Committee members' assistants present: Andy Johnson, assistant to Senator Exon, Kenneth N. Luongo, assistant to Senator Levin, William J. Lynn and Nancy E. Soderberg, assistants to Senator Kennedy, Charles C. Smith, assistant to Senator Dixon, Phillip P. Upschulte and Milton D. Beach, assistants to Senator Glenn, Terence M. Lynch, assistant to Senator Shelby, Christopher K. Mellon, assistant to Senator Cohen, Patrick F. McCartan, assistant to Senator Wilson, Anthony H. Cordesman, assistant to Senator McCain, Robert M. Soofer, assistant to Senator Gorton, Charles G. Pearcy, assistant to Senator Lott, and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

The Armed Services Committee meets this afternoon to conduct a hearing on unconventional warfare and U.S. security interests in the Third World.

All three of the Unified Commanders from whom we will receive testimony are primarily responsible for areas of the world outside of our traditional alliances in Europe and the Pacific.

On behalf of the committee, I would like to extend a warm welcome to three outstanding military leaders that we have had appear before us on several occasions: General James Lindsay, Commander in Chief of the U.S. Special Operations Command, General Norman Schwarzkopf, the Commander in Chief of the U.S. Central Command, and General Maxwell Thurman, Commander in Chief of the U.S. Southern Command.

Each of these military officers has either briefed the committee or testified before the committee in the past, so we know them well. We appreciate each one of you joining us today.

Today's hearings will represent the first time that General Thurman and General Lindsay have testified before the Congress since Operation Just Cause was conducted in Panama. Therefore, that military operation will be an obvious subject of great interest to the committee during this hearing.

At this point, let me offer my congratulations again to General Thurman and General Lindsay and all the men and women under your commands who participated in this operation. I think you did an outstanding job in planning and in execution, and one thing that has not come out as much as it will in months and years to come, I think, is the extent to which you did a great deal to minimize damage, considering the extensive operation and the dangers involved.

I think that is something that has not been reported, but in many cases your people increased the danger to themselves in order to carry out a more disciplined and more targeted and less destructive mission than it otherwise would have been.

In addition to Operation Just Cause, we would like to hear our witness' views on the same issues on which the Unified Commanders have testified before the committee in previous years. Particularly Senator Warner and I have asked the witnesses to address in their testimony their military strategy, their critical deficiencies—operational deficiencies—and also their views about how far we have come in implementing the Goldwater-Nichols Department of Defense Reorganization Act.

As General Lindsay and General Schwarzkopf know, this committee has a longstanding interest in the formation and progress of their two commands. Although we have not been as deeply involved in the institutional history of General Thurman's command, we are concerned over the low intensity conflicts and also certainly concerned about the geographic area he represents in terms of his command.

Before our witnesses make their statements, let me ask Senator Warner if he has any opening remarks.

Senator WARNER. Thank you, Mr. Chairman.

Mr. Chairman, I wish to associate myself with your remarks regarding the performance of the military mission by the troops of all services under the command of the President of the United States and under your command, General Thurman, and you, General Lindsay, and General Stiner.

Senator Nunn and I did have the privilege—and I emphasize privilege, Senator Nunn—in seeing first-hand the superb professional services that they rendered not only our President but, I think, the people of Panama. We regret the loss of life, as we always do, on both sides—United States, American Panamanian. There was a job that had to be done

General Lindsay, it is a pleasure to have you here today in your capacity as the Commander of the Special Operations Command. Last year in your testimony you talked about joint mission analysis. I hope that you will update us on that today. I also feel it would be beneficial to this committee to review the airlift needs for our Special Operations Forces.

We would also like to hear your views on how the Special Operations Forces who participated in Operation Just Cause performed, and if there were some shortcomings, not in their performance but in logistics or otherwise, I would hope you would bring that to our attention.

I wish to note, Mr. Chairman and members of the committee, and for our witnesses today, the untimely passing of R. Lynne Rylander, who worked, as I understand General Lindsay, with you. He passed away over the last few days.

General Schwarzkopf, welcome again to the committee. With the withdrawal of the Soviets from Afghanistan and the beginning of the end, as Churchill used to say, of the Iran-Iraq War—we are not sure exactly when that will all be wrapped up—I hope we can make some progress toward greater stability in the Central Command's region.

I am, however, extremely concerned over the proliferation of tactical ballistic missiles, and I hope that you will provide us in open session today with your views on that growing threat, particularly as it relates to Israel, and indeed, I think all nations in that area.

The world today, as you gentlemen know full well because you have devoted your lives to security, is vastly different than any time since World War II. With the dawn of democracy in Eastern Europe and the courageous progress they are making, by and large, in nonviolent means, the United States will have, I hope, more opportunity to concentrate its assets on bringing further democratic change in certain areas of the Third World.

The late President John F. Kennedy was an articulate advocate of a foreign policy structured for the needs of the developing nations. In his inaugural address, he spoke of the "long twilight struggle against the common enemies of man: tyranny, poverty, disease, and war itself."

He charted a course for those to follow, present here today and indeed, subsequent Presidents. A course for democracy in the Third World. I hope we can bring more assets to bear to achieve a greater percentage of his goals. Thank you.

Chairman Nunn. Thank you, Senator Warner. I believe we are going to start today with General Lindsay and move across from left to right. It is not based on rank or anything other than the time these individuals took office.

I think everything otherwise is about flat on the table, so in order of the offices, General Lindsay, then we will move over to General Thurman.

Before you proceed, I will enter into the record the prepared statements of Senator John Glenn and Senator Strom Thurmond.

[The prepared statements by Senator John Glenn and Senator Strom Thurmond follow:]

PREPARED STATEMENT BY SENATOR JOHN GLENN

Mr. Chairman, I too would like to congratulate all of our three witnesses appearing here today for a job well done. I note that their effectiveness as Joint Commanders—from the Persian Gulf to Panama—can be attributed in part to the far sightedness of our former Chairman Barry Goldwater and his successful efforts to improve our joint warfighting capabilities through the Goldwater-Nichols Reorganization Act.

I would also like to take this opportunity to again publicly and for the record, express my personal appreciation and admiration to all the men and women in our Armed Forces who participated in these joint operations and especially to the families and friends of their fallen comrades.

Mr. Chairman, I would also like to compliment you and my friend and colleague from Maine, Senator Cohen, for your wisdom and efforts in establishing the Special Operations Command. General Lindsay, and every member of his joint special operations team, made a significant contribution to General Thurman, and Southern Command's very successful recent operation in Panama.

PREPARED STATEMENT BY SENATOR STROM THURMOND

Thank you Mr. Chairman: General Schwarzkopf, General Lindsay, General Thurman, welcome to this hearing on the posture of your respective commands. It is a pleasure to see so many familiar faces.

Mr. Chairman, the commanders before us this afternoon represent those regions of the globe that—in my judgement—will present the greatest challenges to the United States in the next century. These challenges will not be focused on arms, but on the control of the hearts and minds of the people.

Regardless of the diminished threat in Europe and the Pacific, the Soviet Union will continue to challenge us for influence in these areas and we must be prepared to meet that challenge.

I believe the commanders before us are aware of this challenge and have indicated so in their prepared statements by placing a heavy emphasis on the Security Assistance Program. I applaud their proposals and hope that this committee can influence the allocation of funding for the Security Assistance Program.

Thank you Mr. Chairman.

STATEMENT OF GEN. JAMES J. LINDSAY, USA, COMMANDER IN CHIEF, U.S. SPECIAL OPERATIONS COMMAND

General **LINDSAY**. General Schwarzkopf is bigger than both of us, though.

General **SCHWARZKOPF**. And a lot better looking, Mr. Chairman, I might add.

General **THURMAN**. He adds ballast to the operation.

Chairman **NUNN**. We can take a vote on that if you would like. [Laughter.]

General **LINDSAY**. Sir, I am honored to be here. I have submitted a statement for the record, and what I would like to do is take about 10 minutes and highlight three areas that are contained in that statement.

First, I would like to talk to support of General Thurman and the Southern Command on Operation JUST CAUSE. I would like to then talk about SOF readiness and requirements, and Senator Warner, I will address the aviation issue, the infiltration-exfiltration issue at that time, and then I will talk POM budget and acquisition status and in that process I will also address the joint mission analysis.

First, to talk about JUST CAUSE, we were a supporting command. As we briefed you before I am essentially a supporting CINC for the five war-fighting CINCs. These are Special Forces, Psychological Operations and Civil Affairs.

We had 77 of our own aircraft in there and 89 supporting aircraft. Currently, on Operation PROMOTE LIBERTY, the follow-on, nation-building operation, we have approximately 1,000 personnel working for General Thurman on that operation.

I think everyone recognizes it was a pretty successful operation, and I would like to highlight some of the reasons why I think it turned out the way it did.

First, the forces were clearly ready. That was a result of a very vigorous exercise program, not only a joint exercise program, but a program that worked the SOF forces of the various services—the Navy SEALs, the Army Special Forces, and so forth—but we also in that program worked with the conventional forces, so we had a good integration with conventional and unconventional forces.

Our equipment worked. I had 166 aircraft in the early hours of that operation, and while we had to use some spares in some cases, every aircraft delivered what it was supposed to do, where it was supposed to deliver it, and I think that is a real tribute to the Air Force.

We had 370 radio nets just in my Special Operations Command. Some of you may recall, I talked with Senator Nunn previously on some of the command and control and interoperability problems in communications in Grenada. I think this demonstrated that we fixed those, and fixed them quite well.

The AC–130 gunship again proved to have great capability as a surgical tool to take out targets that were very difficult to get to.

Interoperability, I mentioned earlier, I thought was superb. Logistic support was excellent. Clearly, the fixed bases already in Panama helped, but we did not uncover any major logistical problems.

Command and control was probably the best I have ever seen. We had a great team down there, and General Thurman as the Unified Commander and General Stiner as his Operational or Joint Task Force Commander.

I put together a package of 4,100 and some personnel, put a command and control element with it, and turned it over to General Thurman. He in turn, chopped it to General Stiner, his Operational Commander.

Now, all the forces involved here have worked together for years. There was nothing ad hoc about it. Some people had talked about this being essentially an Army show. Well, in my command we had 800 Air Force and 500 Navy personnel deeply involved in this operation.

I guess the final point on readiness would be people. Individual and unit proficiency was superb. We talk about the quality of the force throughout the military today, and that has never been more true than in the Special Operations Forces, and it is a result of a 10-year rebuild of our Special Operating Forces, and I think they are back, and they are back big time.

I would like to shift now and talk to readiness of all forces, Special Forces, Psy Ops and Civil Affairs. It is higher right now than at any time that I can recall, and that is a direct result of the SOF revitalization program that was led by the people sitting right here in this room.

The services have been very cooperative, very supportive in this operation, and OSD and the services have supported it as well. In fact, as we look at the immediate years to the future and ahead, we are the only element that is not being cut. In fact, there is some slight growth here.

I could talk for a long time about all the good things going on, but instead I would like to talk about some of the areas that still require further fine tuning or fixing. I will talk first to your point, Senator Warner, on infiltration-exfiltration, and I will talk maritime as well as air.

Over the next 3 to 4 years, we currently have funded, and in the program, money for 24 combat Talon deep-penetration C–130s, 12 AC–130 gunships, 41 MH–53 PAVE LOW helicopters, 51 MH–47 Echoes, and 23 MH–60Ks, and we may want to talk more about that later. It does not completely fix our infil-exfil problem, but it is a vast improvement over what it had been.

On the maritime side, we need a replacement for the SEAL delivery vehicle. We are looking at two programs. We have an Advanced SEAL Delivery System we are working on. We have also been looking at an off-the-shelf dry submersible.

At the direction of the Congress we put the ASDS on hold momentarily while we do about 18 months' study on this dry submersible, and the Navy is doing that for me right now and we will decide in 12 to 18 months where we go from there. We also need a SEAL tactical insertion craft and we need better, faster, newer patrol boats for the Navy.

On the communications side we are still working to resolve the low probability of intercept, low probability of detection radio problem. We also still need to do a better job of downsizing our equipment to make it more user friendly to those who enter battle on foot or by parachute so they do not have a load that they really cannot carry along with them, and we are making some progress there. We still have got a ways to go.

My prepared statement outlines other readiness issues. I would like to turn to my final point on readiness, that has to do with the fact that if you look back over the last 20 or 30 years, the Special Operating Forces have essentially either used or converted equipment that was originally designed for our conventional or strategic forces.

We need to do a better job of articulating our requirements to the R&D community and to industry. We also need to fund a technical base to do better research and development focused specifically on Special Operating Forces.

I think we get a great return for investment there, a relatively small investment, I might add. We have the money to do that in our fiscal year 1992–1997 program which we are working on right now, and at that I would like to turn to the programming issue.

We now have full authority to develop our own program in compliance with the Cohen-Nunn legislation passed 3 years ago to

POM for Special Forces, Psy Ops and Civil Affairs. We will submit our first program on April 2 for the 1992–1997 POM. This is the first time a Unified Command has ever done that. We are learning some things in the process, but it has been a very worthwhile exercise for us. On October 1 of this year we will execute our own budget for fiscal year 1991.

Now, the other part of our responsibility in this area centered around acquisition. The last time I talked to you I pointed out that we had Logistics Management Institute doing a study for us on how we might structure our organization to accomplish the acquisition mission without duplicating or replicating what the services were already doing.

We have done that. We have completed that study. We have done some fine tuning on it. I went to the Office of the Secretary of Defense and Joint Chiefs of Staff and asked for the people to put together a Special Operations Research, Development and Acquisition Center. I have been authorized 77 people to do that.

Now, those spaces are 1991–1992 spaces. I am now working to try to get seven of those spaces this year so I can get the leadership in place to put this center together. It will be located here in Washington and it will work with me to monitor, validate and prioritize the service programs as well as to handle our own programs.

I will now address the joint mission analysis that you asked about, Senator Warner. For those of you who are not familiar, I would like to recap.

In the joint mission analysis we look at the mission of the command, we look at the threat posed against that mission, and then we look at what we need in the way of people, equipment and organizations into which we put those people and equipment to accomplish that mission.

I am not a warfighting CINC. I am a supporting CINC for the two gentlemen on my left and the three warfighting CINCs. So we had to do it hand in glove with them. We started this in the spring of 1988 with Southern Command because we figured that was where the bulk of the action might be. It has been a very worthwhile process, not only in terms of what we are learning but in terms of the rapport and the relationship it has built between my command and the Southern Command staff.

We thought we would complete it in about 6 months. Very candidly, we are still looking at it. General Thurman came in, and he has a lot of ideas that we want to explore. We are working on those, and we will wrap that up very shortly.

We have just finished the same study in the Pacific Command with Admiral Hardisty, and we have started in Europe as well. We should finish up in about 18 months. General Schwarzkopf of CENTCOM has signed up for this.

The way it works, each of the theater CINCs puts up a team of 40 to 50 people, I put up a team of the same number headed by my Deputy Commander in Chief, and they work the issues. When we get done, we will have a definitive baseline of exactly what our requirements are in Special Ops, PSYOPs, and Civil Affairs. So this will drive our programming and budgeting process.

Now unfortunately, it is not in synchronization with the POM cycle because I have to turn in my first program on April 2, and the JMA will not be done. So we intend to use the emerging trends to validate what we can but it will not be complete for another 18 months.

My final point would be that last year I talked to you about the capability of our forces and talked specifically to the nation building forces. I said that was analogous to what you might call preventive medicine. I talked about our strike forces being a surgical force.

I think JUST CAUSE and PROMOTE LIBERTY demonstrate we not only can do those two things well, but we also do postoperative recovery as evidenced by the 1,000 people we have down there working for General Thurman right now.

The bottom line in all this, your PSYOPs, Civil Affairs and Special Operating Forces are ideally suited to deal with the kinds of challenges that we will face as we enter the 21st century.

Thank you very much.

[The prepared statement of General Lindsay follows:]

PREPARED STATEMENT OF GEN. JAMES J. LINDSAY, USA, COMMANDER IN CHIEF, U.S. SPECIAL OPERATIONS COMMAND

INTRODUCTION

It is a pleasure to appear before you and address special operations issues. Special Operations Forces are entering a new era. The USSOCOM staff is now building the organization needed to take responsibility for executing the fiscal year 1991 SOF budget. The staff and our component commands are also preparing the fiscal years 1992-1997 program. Your continued support and recognition that Special Operations Forces represent tremendous capability at relatively low cost have helped improve our posture significantly. We thank you.

THE CHANGING WORLD OF THE 1990S

The changing nature of the Warsaw Pact will dominate political and military thought in the coming decade. The bi-polar world of the U.S.S.R. versus the United States is quickly being replaced with a new array of emerging national and regional power groupings.

Terrorism, insurgency, instability, and subversion have grown in the face of rising nationalism and religious fanaticism. We are facing increasing prospects for low-intensity conflict involving U.S. interests abroad. Distribution of powerful conventional and chemical weapons of great lethality is growing. We find them in the arsenals of Third World countries and in the hands of radical factions around the world. The U.S. must focus on the early detection of potential crises, seek peaceful solutions; yet, maintain a capability to respond if peaceful solutions fail.

USSOCOM STRATEGY

Military Objectives

Special Operations, Psychological Operations, and Civil Affairs activities may be conducted independently or in coordination with conventional operations during peace or hostilities. Objectives assigned to Special Operations PSYOP and Civil Affairs Forces are often as political, economic, or psychological as they are military. These forces may be assigned objectives that lead directly to the accomplishment of national or theater level political, economic, or psychological objectives. To achieve this capability requires properly organized, trained, equipped, and sized USSOCOM force structure.

In the 1990s, the principal role for the Armed Forces will be the maintenance of a credible deterrent force capable of reacting rapidly and effectively to worldwide crises or contingencies, and other threats to our national interest, to include monitoring and detection of illicit drug smuggling into the United States.

Capabilities of Military Forces

As the threat of a direct confrontation with the Soviets diminishes, it is being replaced by those elements capable of generating low-intensity conflict. No one military capability or type of force can be singled out as the answer to resolving these conflicts. Conventional U.S. military capabilities can often be tailored to accomplish specific tasks in a low-intensity conflict. The goal is to improve both conventional and special operations capabilities to counter the threat posed in low-intensity conflict, and insure this force mix is mutually supportive. The most cost effective and appropriate means of achieving national goals in low-intensity conflicts will likely be indirect rather than direct application of military power.

The DOD program to combat terrorism is divided into two principal components: antiterrorism and counterterrorism. Antiterrorism is the "defensive measures used to reduce the vulnerability of individuals and property to terrorism." SOF support the DOD antiterrorism program through facility assessment and risk evaluation. Counterterrorism is "offensive measures taken to prevent, deter, or respond to terrorism." SOF must be an integral part of the counterterrorism program. This will permit the Special Operations Forces to: provide the best military response, continue to support the interagency program to combat terrorism, and continue to reinforce international cooperation as the key to the national program, to combat terrorism.

USSOCOM supports the national counternarcotics effort through programs to assist and train DEA personnel and host nation military and police forces. This training includes small unit tactics, river patrol, monitoring and detection, and intelligence collection and analysis, as well as a variety of specialized courses of instruction.

Strategy to Link Objectives and Capabilities

First, we must complete revitalization begun in the 1980s and modernize for the 21st century. In the past, SOF has, for the most part, been required to use equipment originally designed for the conventional forces but later modified to support SOF. We were late comers and low-priority players in the DOD revitalization efforts of the early and mid-1980s. Now, as we are poised to improve our capabilities with planned joint and interoperable systems, we are faced with a shrinking DOD budget. SOF needs the resources to push the technical community to design equipment that meets our validated needs, while continuing to upgrade present systems. The most important modernization concern for the 1990s is for improved SOF mobility systems. SOF must have the capability to infiltrate and exfiltrate forces into and out of denied areas. Of almost equal importance is the requirement to enhance our communications capability. Additionally, resources must be adequate to provide SOF with state-of-the-art capabilities for intelligence collection, processing, dissemination, and automated mission planning and rehearsal. It is also essential to provide SOF the most modern weaponry possible. And it is critical that capabilities to carry out Psychological Operations and Civil Affairs Operations be modernized.

Second, USSOCOM must complement the modernization effort with proper force structure. The number of existing units is not sufficient to support all theater requirements without dual-tasking some forces. For example, the recent operation "Just Cause" emphasized the need to free 7th Special Forces group from other commitments for full focus on Latin America. Consequently, as an interim measure a battalion of the 5th SFG, which supports CINCCENT, will pick up the responsibilities left vacant by the redirection of the 7th SFG. Until the 3rd SFG is activated, dual tasking of organizations will dilute the focus on area orientation and concentrated theater commitment. With the addition of the 3rd SFG, with its African orientation, SOF will be capable of fully supporting the three most likely areas for low-intensity conflict (Latin America, Pacific rim, Africa), as well as supporting Europe and Southwest Asia commitments.

Our third priority is force readiness. We must ensure that our special operators and units have the operations and maintenance funds to train and exercise to the highest levels of mission-essential standards. Our forces rapidly succumb to a serious readiness deficiency when there is a shortage of qualified personnel to bring units to full strength. SOF missions, to include PSYOP and Civil Affairs, are complex and require fully manned units. SOF personnel must be dedicated to their career specialties. These specialties entail long-term career development to include knowledge of culture, language, and customs of foreign countries.

As we enter a decade of global uncertainty in the 1990s, it is essential to maintain and strengthen U.S. Special Operations Forces. Successful peacetime engagement and conventional deterrence will require forces we can use to support U.S. global interests: training friends and allies to meet anti-democratic threats; conducting counterterrorist operations; countering illegal drug trafficking; executing other missions required to defend U.S. lives, interests, and security; and supporting a credible deterrent that is effective across the spectrum of conflict. This requires highly trained, motivated, and well-equipped mobile forces with the facilities and logistics to train and sustain operations in both present and future environments. To meet these requirements, the United States must continue to give high priority to Special Operations Forces.

OPERATIONAL REQUIREMENTS

Summary of Worldwide USSOCOM Commitments

It is appropriate to take a few minutes to provide you with a representative sample of USSOCOM's worldwide commitments. Since April 1987, USSOCOM's forces have made 500 deployments to 59 countries.

Army Special Forces and Navy Seals have been key providers of security assistance training to friendly nations. These forces have conducted more than 40 mobile training team deployments to more than 20 countries to train host-nation military forces as part of the foreign military sales and military assistance efforts in nation-building. Additionally, some 66 bilateral exchange training events and special operations deployments for training have provided a significant presence in areas where no U.S. military forces are stationed.

Humanitarian assistance operations have had high impact in Africa, the Caribbean, and Latin America. There are three notable examples of the kind of work USSOCOM forces are asked to perform in this important area. First, the search and recovery operation conducted in Ethiopia to find Congressman Leland. Second, we deployed Civil Affairs advisors and Psychological Operations loudspeaker teams to St. Croix in the aftermath of hurricane Hugo last September to assist in disaster relief and to provide emergency information to the local population. A final example was the involvement of U.S. Special Forces personnel in the multi-national United Nations effort to train Afghan refugees in Pakistan in land mine awareness and clearing techniques.

In the important area of counter-drug operations, USSOCOM provided communications support to the U.S. Coast Guard, trained Drug Enforcement Agency (DEA) personnel in riverine and jungle operations, and provided training in military-related skills to counter-drug personnel of other nations. Special Operations Force training skills have been applied to stemming the flow of illegal drugs at the source.

In operation "Just Cause", USSOCOM forces demonstrated their capability and commitment to respond militarily during a crisis. Our forces were involved in the Panama situation from the beginning. Further, Army Special Forces, Civil Affairs, and Psychological Operations Forces are likely to remain committed to the nation-building effort long after the assault forces redeploy.

USSOCOM Special Operations Forces led the way in the seizure of key assault objectives to neutralize Panamanian Defense Forces (PDF). U.S. Army Rangers conducted night parachute assaults to seize Rio Hato Airfield and the Torrijos/Tocumen International Airfield to deny their use and to block the movement of key PDF forces. One U.S. Navy Seal element conducted a night swim to successfully disable PDF patrol boats, while another attacked over the beach to seize Paitilla Airfield, to prevent its use by the PDF. At the same time, Army Special Forces elements established surveillance on key PDF military installations and seized the Pacora River bridge to deny its use by the PDF. These operations were covered by SOF active and reserve AC-130 gunships and supplemented by Army and Air Force SOF helicopters. Our efforts combined with the conventional forces succeeded in preventing the PDF from mounting effective resistance and contributed to the overall success of the combat operations. Our Psychological Operations and Civil Affairs Forces also played a key role in the tactical effort.

Critical Operational Deficiencies

Forces assigned to USCINCSOC are prepared to execute missions assigned in global/regional oplans; however, lingering deficiencies limit current capability to execute all tasked and emergent missions.

Force Structure.—Shortage of long-range exfiltration aircraft remains a serious problem; we are currently assessing how to develop and procure a suitable airframe. Funding and acquisition initiatives for Navy Seal tactical insertion craft and the advanced seal delivery systems are required to build an effective maritime infiltration/exfiltration capability. Additionally, Persian Gulf operations and events leading up to operation "Just Cause" surfaced the need to accelerate the coastal patrol boat initiative and upgrade the Navy small boat SOF support program.

Modernization.—All theaters have urgent modernization requirements for SOF. Highest priority is for a long range aircraft designed to carry SOF troops into and out of unfriendly territory. Second priority is development of more effective man-portable radios. In these same areas of mobility and communication, the Rangers have recently identified shortfalls in land mobility noting the need to accelerate replacement for the M-151 modified jeep; and the need to pursue downsized communication gear to replace antiquated, bulky sets. Additionally, insufficient dual dry-deck shelter (DDS)-configured submarines (SSN/SSBN) impair Seal platoon capability to penetrate hostile or politically denied waters.

Readiness.—The most serious readiness deficiency is the shortage of qualified personnel in some military disciplines. Particularly, qualified linguists in Special Forces (SF), CA, and PSYOP units continue to be a problem; however, our language instruction capabilities are improving.

Sustainability.—Theater SOF support plans are not fully integrated into theater combat support and service support systems. This problem is particularly acute in our Air Force components. Additionally, the events leading up to "Just Cause" validate the need for a maritime operations facility to conduct riverine and/or off-shore maritime operations to support SOF in areas that may be or may become politically denied.

Priorities/Initiatives to Correct the Deficiencies

In light of the previously mentioned deficiencies, it is appropriate to say that we in the SOF community, as a result of your significant efforts on our behalf, have the capability to begin correcting our most critical deficiencies. Our fiscal years 1991-1997 funding program, which we are currently building, will give greater emphasis to modernization and force structure yet provide a balanced readiness and sustainment program. In the past, we have too often accepted equipment, originally designed for conventional forces, that was later modified to support our forces. Now we can push the technical community to design equipment from the ground up that meets our unique requirements. We will insure that the growth plans for the Seals and Special Forces are properly funded. From the special operations viewpoint, we are pleased to have control of our fiscal years 1991-1997 fiscal program.

Adequacy of Fiscal Year 1991 Budget

Of a more immediate nature, the fiscal year 1991 budget supports the continuing revitalization of our Special Operations Forces. Indeed, SOF budget levels have remained intact, which shows the priority that DOD has put on improving our SOF capabilities. The activation of an Army Special Forces group and the increase from 50 to 60 Navy Seal platoons are included in the fiscal year 1991 budget. Overall, the operation and maintenance funds projected for fiscal year 1991 will keep our forces ready to meet our worldwide requirements and the investment appropriations will continue our much needed modernization efforts.

As you are aware, the fiscal year 1991 budget request marks the first time that SOF funds will be moved out of service appropriations into defense agencies appropriations. This is a significant milestone and provides us with a degree of budget control that no command of joint forces has ever had before. As we mature in the management of funds not limited by service boundaries, we will greatly improve our capability to develop and sustain interoperable Special Operations Forces.

LEGISLATION AND USSOCOM

This command was created after enactment of the DOD Reorganization Act and has always operated under its provisions. Our experience indicates that the act has resulted in a number of improvements, some of which were apparent in recent operations. Two of the most important provisions were those which enhanced and clarified the authority of the Chairman, Joint Chiefs of Staff, and those which increased the authority of the CINCs' and strengthened the operational chains of command.

Special operations legislation was instrumental in focusing attention on one our most important military capabilities. Recent events have demonstrated the soundness of this legislation and revealed the substantial effort made throughout DOD to implement it. Consequently, great progress has been made in the past 2½ years in realizing the full potential of our Special Operations, Civil Affairs and Psychological Operations Forces.

Service leaders are supporting the organization of USSOCOM and its assumption of responsibility for Special Operations Forces and activities. The transition is largely complete and most issues have been resolved. Those issues which remain involve, for the most part, deciding where to divide responsibilities which are shared by the command and services. Progress continues, and we are confident we shall be able to arrive at mutually acceptable resolutions of the remaining issues.

SUMMARY

Our national strategy and international alliances have succeeded in deterring the threat or an East-West confrontation. We now face a changing world. The likelihood of large scale military conflicts is diminishing, and the potential for crises in the Third World and Eastern Europe is increasing.

While Special Operations, Psychological Operations, and Civil Affairs Forces have unique capabilities which have application across the spectrum of conflict from low to high, they are especially well suited to deal with our rapidly changing world environment. Recent events in Latin America highlight our ability to apply indirect military power through such programs as security assistance, foreign internal defense, and counter-narcotics operations (analogous to preventive medicine). At the same time, operation Just Cause highlighted the fact we have the finest direct action surgical strike force in the world. In the same vein, our current rebuilding efforts in Panama have brought out the unique ability of our Special Forces, PSYOPs, and Civil Affairs units to lead the rebuilding effort (post surgical recovery). These forces provide our Nation a truly diverse mix of military capabilities to deal with the challenges we will face as we enter the 21st century.

Chairman NUNN. Thank you, General Lindsay.

We are going to have to take a break here. We have a vote up, so we might as well take a break at this juncture. We will be back in approximately 10 minutes.

I am going to ask whoever comes back first, Senator Exon, between you and I at least, to preside so that we may start right away.

[A brief recess was taken.]

Senator EXON [presiding]. The committee will please come to order.

General Schwarzkopf, I believe we interrupted you, and we are happy to recognize you at this time.

STATEMENT OF GEN. H. NORMAN SCHWARZKOPF, USA, COMMANDER IN CHIEF, U.S. CENTRAL COMMAND

General SCHWARZKOPF. Thank you, sir. I too, am honored to appear before you again. I have prepared a detailed witness statement that I ask be accepted into the record.

Senator EXON. Without objection, that is so ordered.

General SCHWARZKOPF. I know that the changes sweeping the Soviet Union and Eastern Europe have captured your attention, and today I intend to report to you how U.S. Central Command is readjusting our focus in light of these dramatic events. Before highlighting how we have refocused, I would like to underscore that despite this global upheaval there is one constant, and that was very much recognized by this committee when they were instrumental in the establishment of Central Command. That is, the USCENTCOM area of responsibility is vital to our national interests and will remain so far into the future.

Mideast oil is the West's lifeblood. It fuels us today, and being 77 percent of the Free World's proven oil reserves, is going to fuel us when the rest of the world has run dry. Last month the American Petroleum Institute reported that, "domestic oil production in 1989 took the steepest yearly fall in history, and petroleum imports rose to a 10-year high."

About half of our oil is imported. Nearly one in four barrels of this imported oil comes from the Persian Gulf region. Our allies are even more dependent on Middle East oil. Japan gets almost two-thirds of its oil from the area, while our allies in Europe import over one-quarter.

The bottom line is that the West is dependent on imported oil for its economic lifeblood, and today a great deal of it comes from the Middle East. Tomorrow the great majority of it is going to come from there.

The dramatic events of the past year have given rise to high expectations that the Cold War is over. While we at CENTCOM still believe that the Soviet Union remains the most dangerous military threat, we also believe that their setback in Afghanistan and the changes in Eastern Europe have rendered Soviet intent to use their power remote at least for now.

As a result, we in Central Command now consider our most dangerous scenario to be the spillover of some local conflict leading to a regional war which would threaten American lives and vital U.S. interests. The chart before you shows that there are 13 active conflicts right now in our area, several of which could jeopardize our interests in the region. The Iran-Iraq war with no peace 1½ years after the cease fire is the best example of how a local conflict can become a threat to our interests and warrant the commitment of U.S. forces.

EGYPT
SUDAN
KENYA
ETHIOPIA
DJIBOUTI
SOMALIA
N. YEMEN
S. YEMEN
SAUDI ARABIA
JORDAN
IRAQ
IRAN
KUWAIT
BAHRAIN
QATAR
U.A.E.
OMAN
AFGHANISTAN
PAKISTAN

When over 16,000 U.S. servicemen and women were committed to protect freedom of navigation in the Persian Gulf, not a single Soviet soldier or sailor was directly involved. This illustrates why we must remain ready to deal with regional crises even though the immediate Soviet threat may be diminished.

How we stack up against the challenge depends on how we execute our peacetime strategy, and this in turn depends upon the three pillars of security assistance, U.S. presence and combined exercises.

First, I want to emphasize what I said to you last year. Security assistance leads directly to access, and without access afforded by our friends we cannot project U.S. military forces into the area and stay there for any appreciable length of time.

While this year's allocations have met the needs of some of our good friends like Egypt, Pakistan and Jordan, we have ignored the needs of some others. Although more dollars are needed, I certainly cannot ask for them since I fully appreciate the extremely difficult fiscal environment facing us today. I do feel, however, that we can change the way we do business with our cash sales customers including Saudi Arabia, Kuwait, the United Arab Emirates, Bahrain and Oman. They are good friends, and each desires to build mutually beneficial relations with us.

They prefer U.S. equipment and sustainment packages and are willing to pay hard cash for them. Unfortunately, they are increasingly turning to other suppliers, and, due to the vast array of modern military hardware that is readily available to cash paying countries, they do not need to turn to the United States anymore for their legitimate defensive requirements.

During a recent trip to Saudi Arabia, the preponderance of non-U.S. military hardware was striking. For example, we all know of the multi-billion dollar British tornado sale following our refusal to sell them additional F-15s. In 1986 the Saudi Arabian Air Force was 100 percent United States. When the U.K. package is delivered, only 48 percent of the fighters will be United States, and if their aging F-5s are not replaced by our aircraft the U.S. share will be less than 20 percent. This picture is repeated throughout the gulf.

Other examples are Kuwait's recent agreement to buy Yugoslav tanks and Soviet armored personnel carriers, and the United Arab Emirates' recent acquisition of French Mirage fighter aircraft. We should make no mistake about it. This equipment is not some secondhand surplus. It is state-of-the-art, modern military hardware.

I hope my remarks are not misunderstood. I am not advocating—indeed, I am wholeheartedly opposed to—senseless arms proliferation. I am simply emphasizing the fact that if the United States does not provide the weapons our friends need for their defense, other nations will. As our military assistance programs diminish, our influence will erode and we will come to the point where we will have little or no ability to control the use of the weapons or the escalation of hostilities. This is of great concern to me. We need your help to restore security assistance to its position of strength as the centerpiece of our peacetime strategy.

The second pillar of our strategy is presence. It is the visible symbol of America's continued interest in and commitment to stability in the region. With no permanently assigned ground forces, CENTCOM must be considered a bargain command. Our presence in the area is limited to the Joint Task Force Middle East, our security assistance offices and a few technical assistance teams.

With a lowered threat, we felt it prudent to reduce forces in the Joint Task Force to only seven ships, with periodic visits of carriers and battle groups into the North Arabian Sea. That is from a high of 28 at the height of the Iran-Iraq gulf tanker war. We have, of course, maintained an infrastructure so that we can quickly reconstitute large forces should the situation require it.

While this reduction has been accepted by our friends in the region as reasonable, I must tell you that every gulf leader with whom I have talked over the past year has emphasized two points. First, they believe that the no peace/no war between Iran and Iraq is only a lull and that the fighting will resume as soon as Iran has suitably rearmed.

Second, they are convinced that the United States presence in the gulf and our response to Iranian aggression was key to the cease fire and that further precipitous drawdown of U.S. forces would quickly destabilize the region.

As a side bar, while our forces have been reduced consistent with the threat, the Soviets have maintained a significant naval presence of about 20 ships in our area. Even our security assistance people in the area are outnumbered 18 to 1 by their Soviet counterparts, who total over 4,000 advisers.

The third pillar of CENTCOM's strategy is combined exercises. They demonstrate our resolve and commitment to the region. They foster increased cooperation, and they enhance our ability to work with our friends in a coalition environment.

Exercise BRIGHT STAR, our major biennial exercise, involved almost 10,000 soldiers, sailors, airmen and marines. It was conducted this past October and November in four countries, and it was a resounding success. It demonstrated once again to everyone in the region, both friend and foe alike, that we can rapidly deploy, employ and sustain U.S. combat forces in a coalition environment at great distances from the United States. Even in an austere fiscal environment, CENTCOM simply cannot afford to reduce funding for our important exercise program.

Mr. Chairman, members of the committee, only a short time ago the United States had few dependable friends in our region. We had suffered through an OPEC oil embargo. The Soviet Union was threatening to make good on its goal to secure a warm water port in the gulf area, and the United States had been humiliated by a hostile Iranian Government.

Today this situation has been reversed. Due to our actions in the Persian Gulf, our stock in the Middle East is high. We have many friends who have demonstrated a willingness to help us in time of crisis. We have secured access rights and prepositioned supplies in several important locations. Iranian aggression has been checked, and oil flows freely and smoothly to the West.

In large measure, this turnaround can be attributed to U.S. resolve to build strong partnerships during peacetime and to stay the course when challenged.

In closing, let me assure you that CENTCOM is ready to fight and win if we are called on to do so. The present budget supports our peacetime regional contingency and global wartime needs, and with your support I can assure you that U.S. Central Command will continue to accomplish this mission.

[The prepared statement of General Schwarkopf follows:]

STATEMENT OF
GENERAL H. NORMAN SCHWARZKOPF
COMMANDER IN CHIEF, UNITED STATES CENTRAL COMMAND

Mr. Chairman, members of the committee. I welcome the opportunity to appear before you today to testify again as Commander in Chief, United States Central Command.

EXECUTIVE SUMMARY

In the time that I have commanded the United States Central Command, these facts have become clear to me:

- The economies of the U.S. and its European and Pacific allies are increasingly dependent on the uninterrupted flow of Persian Gulf oil.

- The greatest threat to U.S. interests in the area is the spillover of a regional conflict which could endanger American lives, threaten U.S. interests in the area or interrupt the flow of oil, thereby requiring the commitment of U.S. combat forces.

- Although the Soviet Union retains the capability to project a powerful military force into the region, the impact of increased Soviet diplomatic and economic initiatives to enhance its presence, access and influence is of greater near-term significance to U.S. interests.

- The emerging proliferation of long-range missile delivery systems capable of employing nuclear, biological and chemical warheads adds a new and alarmingly lethal dimension which could threaten the military and political balance of the region.

- Three mutually supporting strategies are required for the region: one for peacetime, one for regional contingencies and one for global warfare.

- Cooperation with and access granted by friendly regional states are key elements for projecting U.S. forces into the region in times of conflict.

- There is a growing economic, military and political self-assertiveness among key regional states. When this is combined with declining and erratic security assistance funding and restrictive arms sales practices, our credibility with states supportive of our regional objectives is called into question. Our friends, while preferring U.S. equipment and sustainment packages, are fully prepared to and do go elsewhere to purchase what they need for their self-defense.

- Friendly regional states are appreciative of the role of the U.S. in establishing and maintaining safe transit in the Gulf. Our challenge is to build on this goodwill by continuing to demonstrate a commitment that is firm, credible and durable.

Southwest Asia sits astride the major maritime trade routes linking the Middle East, Europe, South and East Asia, and the Western Hemisphere. Ships transiting these routes and the strategic maritime choke points of the Strait of Hormuz, the Suez

Canal and the Bab el Mandeb carry the critical petroleum products that propel the economies of the U.S. and our European and Pacific allies. The dependency of these economies on Persian Gulf oil will increase as we enter the 21st century. For example, it is estimated that within 20 to 40 years the U.S. will have virtually depleted its economically available oil reserves, while the Persian Gulf region will still have at least 100 years of proven oil reserves in the ground, with many promising areas still unexplored.

This situation serves to highlight the geostrategic importance of this vital region. With the threat of direct superpower confrontation apparently receding, the most probable near-term threat to the uninterrupted flow of oil would likely originate from a regional conflict within USCENTCOM's area of responsibility (AOR). To illustrate, in the Iran-Iraq War, we witnessed a border war, which spilled over and threatened the flow of Persian Gulf oil; a clash of ideologically based political systems; and an ethnic and religious struggle. These same destabilizing conditions, and others, are evident throughout the area and represent potential sources for renewed regional conflict. Any one of these conflicts could threaten American interests and lives and, once again, require the commitment of American military forces. To properly position itself as a moderating, stabilizing and deterrent force in the region, the U.S. must continue to pursue those policies and initiatives which maintain our presence, guarantee our access, and enhance our cooperation with the friendly states of the region.

Of particular interest to USCENTCOM is the perceived reduction of the immediate Soviet military threat to Southwest Asia. Ongoing political and domestic events within the Soviet Union and Eastern Europe are having a moderating effect on U.S.-Soviet relations. Despite the probable change in Soviet intentions, however, its capability to employ forces in our AOR cannot be completely ignored. A significant U.S.-Soviet postured ground force imbalance remains, and the Soviets continue to maintain a strong naval presence in the area. Nonetheless, the prospect for a near-term, direct U.S.-Soviet military confrontation is low. Of more immediate concern is the fact that the Soviets are continuing efforts designed to expand their influence throughout this region. Soviet military and economic assistance to many AOR countries continues to counter U.S. initiatives. They are engaged in ongoing diplomatic efforts to improve relations, increase contacts or open embassies in countries where in the past they were unwelcome. Since 1985, the Soviets have established diplomatic relations with Oman, UAE, and Qatar and renewed relations with Egypt and Iran. Normalized relations with Saudi Arabia and Bahrain are a distinct possibility. The U.S. must be willing to demonstrate steadfastness and commitment in order to counter Soviet initiatives in the region, including their penchant for exploiting our friends' doubts concerning U.S. resolve.

An increasingly significant threat to the military balance in the region is the emergence of long-range missiles and nuclear, biological and chemical arms development and proliferation. The employment of chemical munitions as anti-personnel weapons and the extensive use of SCUD missiles in the "War of the Cities" have driven more moderate non-belligerent neighbors to perceive a need to obtain similar capabilities as deterrents. This accelerated upgrading in the quality, lethality and range of these types of arms contributes to both military and political instability.

Given this situation, the successful accomplishment of the USCENTCOM mission requires three mutually supporting strategies: one for peacetime, one for regional contingencies and one for global warfare.

USCENTCOM's peacetime strategy is designed to demonstrate the depth of U.S. commitment to the region, assist our friends in their efforts to fulfill defense requirements and counter outside attempts to gain or expand spheres of influence. It relies on three pillars: presence, security assistance and combined exercises. Today, the Joint Task Force Middle East (JTFME), although reduced in size considerably since the Iran-Iraq ceasefire, continues to be the most visible symbol of our presence in the region. The current force of ships and aircraft is still sufficient to continue execution of the highly successful Earnest Will operation. This operation provides naval protection for all U.S.-flagged ships transiting the Persian Gulf as well as for other Free World merchant ships requesting assistance during passage. The ongoing operation clearly demonstrates to our friends in the region that we are willing and able to wield considerable military might to underscore important commitments.

Security assistance, a primary instrument in implementing USCENTCOM's peacetime strategy, will only achieve the desired long-term, mutually beneficial security relations with moderate states of the region as long as the U.S. is seen as a reliable partner. Unfortunately, declining security assistance levels since 1985 and sharply reduced support for non-earmarked countries have threatened our reputation as a reliable partner and fostered the impression that the U.S. is retreating from its regional responsibilities. The funds currently available to several of the countries vital to our strategy do not provide for even their basic military needs. Sometimes we erroneously perceive the U.S. as being the region's sole potential benefactor. This perception is incorrect. The vast oil wealth of some of these countries enables them to dictate independent courses of action, choices for diplomatic relationships and, of course, suppliers for their defense needs. As other foreign governments continue to make new inroads into the region, U.S. presence and potential for access are being eroded. As a result, American influence is shrinking. The U.S. must be willing to fund security assistance for our friends, not only to sustain their confidence in us, but also to gain access to facilities that could prove crucial in times of crisis.

Our restrictive arms transfer policies have produced inconsistent and frequently embarrassing results for our Arab friends. As a consequence, these states are turning to other sources to procure their military equipment needs. In almost every case, the weapons acquired have fewer constraints on employment than those purchased from the U.S. This growing loss of regional arms sales lessens our ability to serve as a moderating voice in regional conflicts. The U.S. should be ready to respond positively to our friends' legitimate requests to buy arms. In this way we can actually act as a positive influence over undesirable weapons proliferation.

Combined exercises, the third pillar of our peacetime strategy, serve to visibly demonstrate U.S. resolve and our ongoing commitment to the region. This is particularly true since we have few permanently assigned forces in the area. Military-to-military relations, developed during U.S.-host-nation exercises, help foster increased cooperation and reflect our ability and intent to support regional stability while working together in a coalition environment. In those states whose security assistance funding has been reduced or curtailed, these exercises assume an added importance. Funding for combined exercises should be maintained and, when prudent, increased to moderate the impact of reduced security assistance and lack of forward deployed forces in the area.

Our regional contingency strategy builds on the peacetime strategy and is designed to provide an extensive range of options to permit flexible, measured responses to regional aggression. This approach strengthens our deterrent and warfighting abilities. Flexibility prevents a potential aggressor from predicting our reaction and what price he would pay for breaking the peace. However, if this does not deter an aggressor, this same flexibility would then provide options for reacting to any new conditions. In all cases, emphasis is placed on coalition operations with our friends and allies assuming their share of responsibility for the region's defense and security. This approach allows us to concentrate on those actions necessary to reach a speedy and favorable end to any crisis.

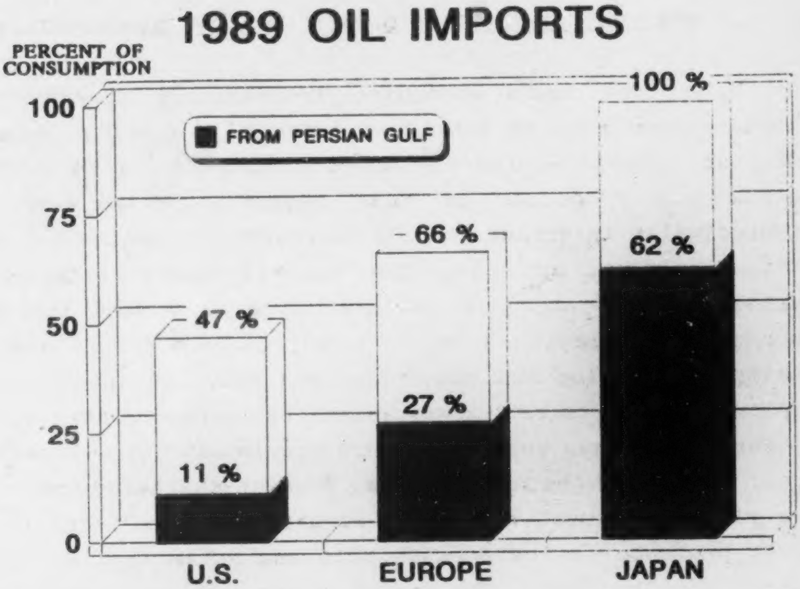
Our wartime strategy is based on U.S. global confrontation with the Soviet Union. With the full realization that our AOR could be a secondary theater with regard to resource allocations, we will again depend heavily on coalition warfare with our friends and allies and on the defense of critical choke points to ensure freedom of navigation and access to Persian Gulf oil. Given the improvement in U.S./Soviet relations, USCENTCOM believes the potential for direct conflict with the Soviets in this region has been significantly reduced for the near term. Nonetheless, we are prepared to execute our wartime mission as directed by the National Command Authority.

By maintaining our presence and building on our relationships through combined exercises and favorable security assistance, we demonstrate our resolve and willingness to respond to the legitimate defense needs of our friends in the region. Reinforcing this cooperative relationship lies at the heart of the access granted by friendly regional states, without which the U.S. cannot for long successfully project forces during conflict. The strategic location of the area and the criticality of maintaining the free flow of Persian Gulf oil to fuel the world's economy ensures that USCENTCOM's AOR will remain vital to the security of the United States, Western Europe and the Pacific.

STRATEGIC IMPORTANCE OF THE AREA OF RESPONSIBILITY

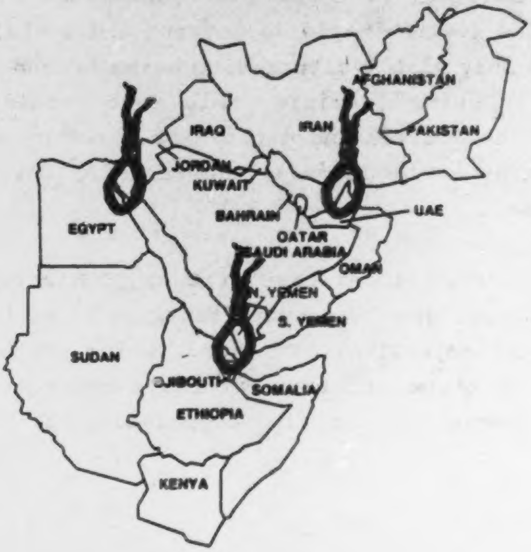
With free world economies increasingly dependent on the uninterrupted flow of Southwest Asian oil, the U.S. has a vital interest in maintaining the unrestricted access to governments, people and resources of this region. This same goal is strategically important for the Soviet Union. While the attention of the world has focused on the dramatic events reshaping Eastern Europe, the Soviet Union has continued to expand its influence throughout the region. The Soviets provide military and economic assistance to nine AOR countries, and they are involved in daily diplomatic efforts to improve relations, expand contacts, and open embassies in areas where they were previously not welcome. During their transit of the Persian Gulf, Kuwaiti-chartered Soviet tankers are still monitored by Soviet combatants. In fact, the Soviet naval presence in the Persian Gulf and North Arabian Sea is now larger than our own. The Soviet Union will continue to actively pursue its interests throughout the region, in part because it will become a net oil importer in the future.

This volatile region contains 77 percent of the Free World's proven oil reserves. While some estimates indicate that our own economically exploitable reserves could be depleted in 20-40 years, the Persian Gulf region will still have over 100 years of proven reserves, with many promising areas yet to be explored. During 1989 alone, over 13 million barrels of oil were exported daily from this region--oil which helped fuel the economies of Europe, Asia and the U.S.



Our dependence on imported oil has been growing. During 1989, roughly 47 percent of our total consumption was imported--an increase of 5 percent over the previous year. Almost 1 of every 4 barrels of the imported oil was shipped from the Gulf region. Our European allies and Japan also rely on the unrestricted flow of Persian Gulf oil to meet their energy requirements. Last year, 27 percent of Europe's oil needs were filled by imports from the Persian Gulf. For Japan, access to Gulf oil is critical. In 1989, Japan imported 62 percent of its total petroleum requirement from this region. Studies indicate that declining U.S. production (as much as 20 percent by the year 2000) will increase reliance on imported oil. At our current rate, we will import over half of our petroleum needs this year.

CHOKEPOINTS


AFGHANISTAN
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SAUDI ARABIA
OMAN
N. YEMEN
S. YEMEN
SUDAN
DJIBOUTI
SOMALIA
ETHIOPIA
KENYA

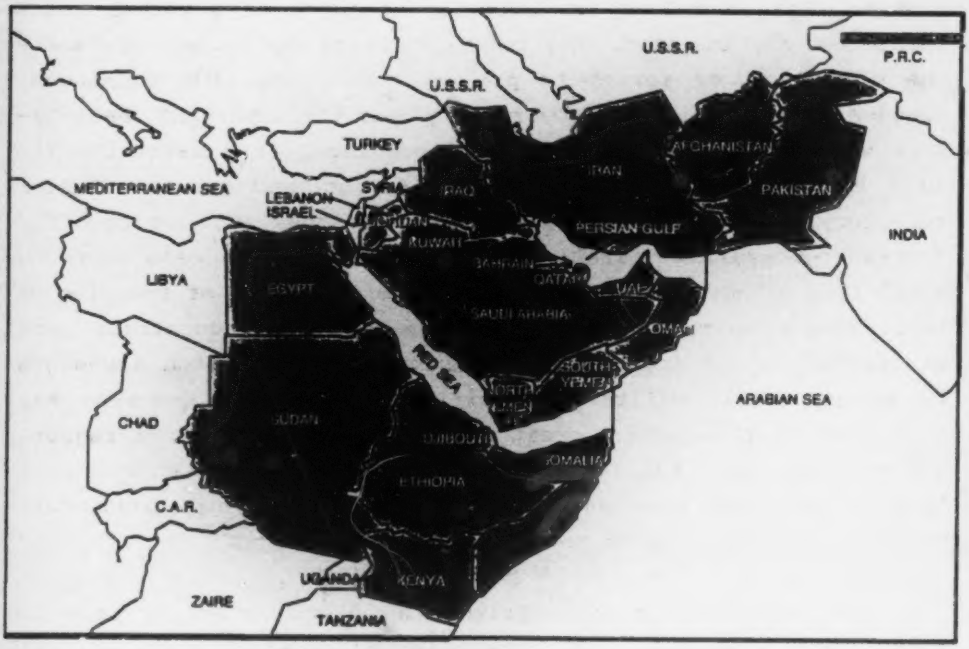
Whether shipped directly from Persian Gulf ports or through the trans-Arabian pipeline to the expanding Saudi and Iraqi facilities at Yanbu on the Red Sea, this oil must flow through the region's strategic waterways and their critical choke points. The Persian Gulf and its choke point, the Strait of Hormuz, provides the only maritime passage for direct access to the crucial oil fields and transshipment facilities. The Red Sea, with the Suez Canal in the north and the Bab el Mandeb in the south, is one of the most vital sea lines of communication and a critical shipping link between our Pacific and European allies. Annually, over 21,000 vessels transit the Suez Canal, 33 percent more than the Panama Canal. The Red Sea route and Bab el Mandeb will become even more important as the handling and export capabilities of the Yanbu oil transshipment facilities increase. By the mid-1990s, at maximum capacity, 90 percent of the Saudi and 40 percent of the Iraqi oil exports could be flowing from Yanbu to destinations throughout the world. Most of this oil will have to pass through the Bab el Mandeb because supertankers are too large for the Suez Canal.

During peacetime, both of these waterways are essential for the smooth movement of commerce. During conflict, they would be crucial paths for the rapid deployment and sustainment of friendly forces, the only viable alternative being around the southern coast of Africa. During a crisis, this route would increase transit distance by 3400 miles and deployment times by almost 30 percent. Such increases would decrease the range of options available for our response.

Since a significant part of USCENTCOM's forces would deploy by sea, ensuring these waterways remain open to free world shipping must be a key objective. Further, during peace or conflict, the protection of these critical waterways and their choke points is completely dependent on the cooperation of friendly regional states.

REGIONAL ANALYSIS

In the following pages, each of the AOR's geographic subregions is evaluated as an entity. A country by country analysis is also provided to highlight significant issues facing USCENTCOM.


U.S.S.R.
P.R.C.
U.S.S.R.
TURKEY
MEDITERRANEAN SEA
LEBANON
ISRAEL
SYRIA
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IRAN
AFGHANISTAN
PAKISTAN
INDIA
JORDAN
KUWAIT
PERSIAN GULF
BAHRAIN
QATAR
UAE
LIBYA
EGYPT
SAUDI ARABIA
OMAN
RED SEA
SOUTH YEMEN
NORTH YEMEN
ARABIAN SEA
CHAD
SUDAN
DJIBOUTI
SOMALIA
ETHIOPIA
C.A.R.
UGANDA
KENYA
ZAIRE
TANZANIA

PERSIAN GULF UPDATE

Often the focus of U.S. concern in the region, the Persian Gulf remains a dynamic and volatile area. The possibility of renewed fighting in that body of water poses a significant threat to Western and U.S. interests.

IRAN-IRAQ CEASE-FIRE

The UN-sponsored cease-fire of August 1988 continues to hold. However, Iran and Iraq are unlikely to agree on a formal peace settlement anytime soon. Key issues stalling the peace process are the withdrawal of forces to pre-war boundaries, POW exchanges, freedom of navigation and sovereignty over the important Shatt-al-Arab waterway. While negotiations continue, Iraq maintains its hold on small but politically significant sections of Iranian territory, and is unwilling to surrender them without specific Iranian concessions. Iran, in turn, refuses to concede anything until Iraq withdraws from its territories. Instead of focusing on rebuilding their devastated economies, both countries are manufacturing and importing increasingly sophisticated armaments to enhance their military capabilities. This no peace-no war situation is a matter of great concern to leaders in our region. Universally, they believe that the cease-fire represents only a lull in the fighting; and that as soon as Iran has adequately rearmed, it will go back to war with Iraq.

The Iran-Iraq War illustrates the difficulties we face in restricting the sale of sophisticated weapons to regional belligerents. Between 1980 and 1988, 41 nations sold arms to one country or the other. Twenty-eight of these nations supplied both sides, accounting for over 93 percent of all arms delivered during the war. As the following table indicates, these sales involved a variety of sources:

ARMS SALES TO IRAN AND IRAQ

SOURCE	IRAN	IRAQ
East Asia	42% *	11% **
Warsaw Pact	21%	57%
NATO Countries	16%	21%
Other European Nations	12%	5%
Developing Countries	9%	6%

* Primarily PRC and North Korea
** Primarily PRC

STATUS OF OPERATION EARNEST WILL

Operation Earnest Will, the protection of U.S. flagged shipping and reflagged Kuwaiti tankers during their transit of the Persian Gulf, did not end with the Iran-Iraq cease-fire, but, in fact, continues today. Earnest Will remains the clearest demonstration of U.S. commitment to regional security--displaying our resolve to our friends by assisting them in maintaining the free flow of oil. To date, we have successfully conducted more than 350 Earnest Will missions, providing protection for more than 500 ships. The success of these missions, and other Gulf actions, has reduced the direct threat to all shipping. As the threat has changed, we have significantly reduced the forces deployed, while maintaining the capability to quickly reinforce and meet any new challenges.

Earnest Will has improved freedom of navigation throughout the Persian Gulf. While our actions and those of friendly regional states have reduced the overall danger to shipping, major concerns remain:

- The absence of a permanent settlement between Iran and Iraq.

- The Iranian Exclusion Zone which effectively restricts free commerce from using one-half of the Gulf, including a section of the major deep-water tanker channel.

- Iranian offensive naval and amphibious exercises in the Gulf along with their SILKWORM missile capabilities.

- Drifting mines and undisclosed mine fields.

GULF COOPERATION COUNCIL (GCC)

Kuwait, Saudi Arabia, Bahrain, Qatar, United Arab Emirates and Oman established the GCC in May 1981 in recognition of the need to develop coordinated responses to regional threats. Since its founding, the council has made considerable progress in cooperative economic, diplomatic and military security efforts.

The Peninsula Shield Force, the military arm of the GCC, provides a viable military complement to diplomatic efforts to maintain stability and deter military threats against the GCC states. However, it does not have the status or capabilities of a fully integrated regional military alliance such as NATO. The GCC states would need extensive military assistance from outside the region to defend against a challenge from any major regional power or the Soviet Union.

IRAN

Iran's weakened economy and its radical revolutionary movement combine to make it both volatile and unpredictable. While its declared objective is rebuilding a devastated economy, Iran has continued its arms race with Iraq, including advancements in the areas of chemical weapons and surface-to-surface missiles. Additionally, recent offensive naval and amphibious exercises in the Persian Gulf continue to demonstrate Iran's capability to threaten the GCC states and neutral shipping.

Iran has shown some willingness to normalize relations with the GCC states of Bahrain, Oman and UAE. However, it has not changed its overall antagonistic posture toward the West. Therefore, the post-war arms race with Iraq has created opportunities for military sales by communist states and has even led to a Soviet-Iranian dialogue and agreements on economic and defense matters.

Iran's future in the post-Khomeini era is uncertain at best. Confrontations between moderate and radical elements do not portend well for political stability or economic recovery. However, Tehran seems increasingly aware that the gap between available resources and domestic needs cannot be bridged without foreign assistance. It remains to be seen whether Iranian President Rafsanjani can survive and guide Iran along a path toward moderation and stability, or whether Iran will slip back into the hands of powerful anti-Western radicals. In either case, the U.S. response to an Iranian attempt at rapprochement should be based on the principle of reciprocity. In the meantime, the U.S. should assist friendly states to counter Iranian influence in the region.

IRAQ

The cease-fire with Iran has allowed Iraq to resume its bid for leadership and influence within the Arab world. Iraq ended the war with one of the largest and best-equipped military forces in the world. From 1980 to 1988, an estimated 35 percent of Iraq's GNP was devoted to military expenditures. From 1984 to 1988, approximately 5 percent of the Iraqi population was serving in the armed forces. For comparison, this would equate to a standing U.S. military force over 13 million with an annual defense budget of $1.6 trillion.

Even though it enjoys a significant post-war military advantage over Iran, Iraq continues to import arms. Of greater concern, however, is its domestic arms industry, the most advanced in the region. Iraq is now capable of producing chemical munitions and medium-range missiles. The recent test firing of an Iraqi-developed three-stage missile with a range of over 1,500 nautical miles will create a perceived need for a similar capability in neighboring states. This will further complicate the existing problem of missile proliferation by other regional states.

Although generally mistrustful of the U.S., Iraq would welcome measured U.S. participation in its economic development. Currently, oil exports make it America's second largest Middle Eastern trading partner. The U.S. should continue to develop its contacts with Iraq by building selectively on existing political and economic relationships. We should also encourage and reinforce those other states in the region that act as a moderating influence.

KUWAIT

With substantial financial assets and the world's fourth largest oil reserve, Kuwait has a global stature that far exceeds its size. Subject to external pressures, Kuwait has historically used diplomacy to solve problems with its neighbors. Despite this preference for diplomatic solutions, Kuwait is investing heavily in military equipment to upgrade its defensive capabilities. Current purchases are based, in large measure, on Kuwaiti concerns over uncertainties regarding the Iran-Iraq cease-fire. While preferring friendly relations with the U.S., Kuwait is not dependent upon us for military or economic support. In attempting to meet its defense requirements, Kuwait has the capability to deal with a wide range of military suppliers as typified by its acquisition of Yugoslavian M-84 tanks and Soviet BMP-2 armored personnel carriers.

Our improved relationship with Kuwait is a direct result of strong and unwavering U.S. support for our regional friends during the Gulf War. Continued U.S. protection of reflagged Kuwaiti tankers in the Gulf serves to further strengthen this relationship. As Kuwait upgrades its military capabilities, U.S. security assistance programs can provide additional opportunities to improve our military-to-military relationship, while encouraging the development of regional defense arrangements with other GCC states. Our continued close relations with this stable petroleum and financial power will reassure Kuwait of our steadfastness in the Gulf area.

SAUDI ARABIA

Saudi Arabia is the largest and one of the most influential nations in the region. Its vast oil resources (30 percent of the Free World's known reserves), moderate political orientation and strategic location make it a key player within the GCC and a considerable force in maintaining regional stability. The extensive financial assistance Saudi Arabia provides to other regional states is a major factor promoting a stable economic structure. Its oil wealth and ongoing efforts to resolve regional disagreements make Saudi Arabia one of the foci of U.S. cooperative efforts within the region. However, these same factors have encouraged efforts by other Western nations and the Soviet Union to broaden relations with Saudi Arabia.

We believe that Saudi Arabia would prefer to have the U.S. as its primary military partner. However, as a result of restrictive U.S. foreign military sales policies, the preeminent position we once enjoyed in the country no longer exists. As U.S. support waivers, other nations, most notably our European allies, eagerly fill the vacuum and enjoy the significant commercial spill-over projects that accompany military sales. For example, in addition to the highly publicized purchase of British TORNADO aircraft, the Saudi Navy now operates French frigates, British minehunters and German patrol and landing craft. Its ground forces are armed with artillery from Brazil, mortars from Spain, multiple rocket launchers from Germany and armor from France. As a result, the U.S. has already lost tens of billions of dollars in exports and domestic employment opportunities.

The recent M1 tank sale to the Saudis represented a critical test of our credibility as a long-term defense partner. With the Congressional approval of this sale, Saudi confidence in our commitment to the region (and our ability to affect the types and quantities of weapons introduced into the region) has improved. To build on this success, we must maintain our support for Saudi Arabia's legitimate defense needs. Hesitancy on our part will cause the Saudis and other regional friends to again question the reliability of the U.S. as a dependable defense partner, result in continued erosion of U.S. influence in the region and call into question a strong relationship that has existed since World War II.

BAHRAIN

Bahrain is a long-term friend of the U.S. that continues to provide invaluable support to the Joint Task Force Middle East (JTFME). Bahrain's cooperation is key to maintaining our operations throughout the Persian Gulf.

We must work closely with the Bahrainis to repair the damage to our relationship caused by the STINGER buy-back issue. They are still suspicious of the buy-back provision that has been extended until 1991 and cannot understand why the United States has singled out one of its best friends in the region for this type of treatment. Continued support and preferential treatment for programs that improve Bahrain's defense capabilities will help strengthen this important friendship and contribute directly to the region's stability. Providing the opportunity to purchase state-of-the-art U.S. military equipment not only enhances Bahrain's self-defense posture, but also supports its active role in GCC regional defense efforts and demonstrates to other nations in the region that Bahrain's close cooperation with the U.S. has been rewarded.

QATAR

Located near the center of the Persian Gulf, Qatar's security is of significant concern to the West and to other regional states that depend on the free passage of oil. While U.S.-Qatari relations are generally friendly, military cooperation has been interrupted and security assistance frozen pending resolution of the ongoing STINGER controversy. Once the STINGER issue is resolved, USCENTCOM looks forward to resuming our military-to-military relations, and to enhancing its ability to support the regional defense efforts of the GCC.

UNITED ARAB EMIRATES (UAE)

UAE occupies a strategic position on the Arabian Peninsula. It borders on both the Persian Gulf and the Gulf of Oman and is separated from the Strait of Hormuz by only a small section of Omani territory. As the fourth largest oil producer in the Persian Gulf region, its oil wealth, coupled with its generous foreign assistance programs, gives it far more stature than the country's population and size would suggest. A respected member of the GCC, UAE has gained a well-deserved reputation for its success in mediating regional disputes--the most recent example being UAE's major role in the successful mediation of the PDRY-Oman border dispute.

UAE faces a particularly difficult task in defending its lengthy island-dotted coast. This was highlighted during the Iran-Iraq War when an offshore oil platform was attacked by the Iranian air force causing both military and civilian casualties. At that time, the UAE asked the U.S. for STINGER missile protection. This request was refused and the Soviet Union promptly stepped in and provided its most modern SA-14 air defense missiles. This incident has not been forgotten by the UAE. More recently, U.S. security assistance has focused on promoting improved air defense and early warning capabilities to counter potential air threats. Like other regional states, however, UAE does not depend on the U.S. for military support. While preferring to do business with the U.S., it has established active political and military links with a number of arms suppliers to ensure its defense needs will be met. For example, only recently, the UAE Air Force accepted delivery of the French MIRAGE 2000 fighter aircraft. For its part, the U.S. should build on a fundamentally sound relationship with UAE by maintaining current programs and demonstrating a willingness to respond rapidly and favorably to requests for future defensive requirements.

OMAN

A strong and independent Oman on the southern approach to the Persian Gulf is important to regional stability and to the uninterrupted flow of oil. The country is a regional leader and a stabilizing influence that is working to improve relations with Iran. As the new Chairman of the GCC, Sultan Qaboos will bring his leadership and diplomatic skills to a broad agenda of issues of concern to the Gulf states.

Oman is one of our best friends in the region. The terms of our 1980 Access Agreement and Oman's continuing security cooperation with the U.S. improve our ability to respond to threats throughout the region and are key to the success of U.S. strategic planning.

U.S. military sales are designed to improve Oman's ability to participate in the GCC's regional defense effort and to deter potential threats from Iran and PDRY. While the recent PDRY incursion into Omani territory was settled diplomatically, increased Omani confidence in its own defensive capabilities and in the U.S. commitment to continuing defense cooperation was an indispensable requirement for success. The peaceful termination of this provocation is representative of the positive results that can be achieved through U.S. programs designed to improve the region's security and stability.

JORDAN

A significant force in moderating regional affairs, Jordan was instrumental in arranging the Iran-Iraq cease-fire and has continued to work toward a comprehensive peace treaty. It has also been a key contributor to the search for a resolution of the Arab-Israeli confrontation and the Palestinian issue by helping to gain the Palestine Liberation Organization (PLO) acceptance of UN Security Council Resolutions 242 and 338. It also helped to persuade the PLO to renounce the use of violence.

Jordan's recent parliamentary elections underline King Hussein's commitment to the constitutional monarchy and the concept of democracy. Jordan is proceeding with political liberalization, to include the completion of a national charter. This charter is expected to end martial law and to legalize political parties. The newly installed parliament, however, will face significant challenges in attempting to resolve Jordan's severe economic problems. Jordan has recently been forced to refinance or reschedule its international debts, and the Jordanian dinar has lost a significant portion of its value compared to the U.S. dollar. As a result, Jordan is finding it increasingly difficult to finance its legitimate security requirements.

The U.S. has long considered Jordan a dependable and cooperative friend. During recent exercises, Jordanian and U.S. troops conducted highly effective combined air and ground training. Despite our close relations, economic problems, coupled with decreased levels of U.S. security assistance over the years, have forced Jordan to turn to other countries for equipment, such as the French MIRAGE 2000 aircraft and Soviet SA-8 surface-to-air missile system. The increased security assistance funding provided by Congress for FY90 was a reaffirmation of U.S. commitment to Jordan's need to meet its defense requirements. Unfortunately, even with this increase, Jordan may be forced to sell some of its U.S. equipment in order to maintain, sustain or moderately upgrade other U.S. defensive systems. The U.S. must continue to bolster this key relationship with adequate levels of security assistance and timely, positive responses to legitimate arms sale requests.

EGYPT

Historically, Egypt has assumed a leadership role in the resolution of regional affairs. Its strategic location, operation of the Suez Canal, and, most importantly, forward-thinking policies have made it one of the region's leading powers. Egypt's courageous stance at Camp David was a critical first step towards solving the Arab-Israeli question. Egypt's readmission this past year to the Arab League confirms the wisdom of seeking peaceful solutions to long-standing problems and reestablishes its standing among the Arab states. President Mubarak, as a result, is playing an increasingly important role in the maintenance of regional stability and the resolution of regional conflicts. Recently, Egypt's role in efforts to resolve the PLO-Israeli confrontation through President Mubarak's ten-point plan have demonstrated Egypt's ability to be an important moderating force.

Bilateral cooperation between our two nations is essential in overall U.S. regional strategy. Our military-to-military relationship with Egypt, a key element of bilateral cooperation, is strong and mutually beneficial. For example, Egypt is the region's major participant in combined exercises with the U.S. In the event of a regional crisis, the experience and goodwill gleaned from these exercises would prove to be invaluable, as we could look to this important friend for support and cooperation.

Egypt, however, is facing serious domestic problems. President Mubarak is struggling to gain public acceptance of economic reforms that are preconditions for further International Monetary Fund (IMF) support. Faced with dwindling resources and a potentially explosive population problem, he needs to accomplish two important and difficult tasks:

- privatization of the public sector.
- restructuring of social welfare programs which date back to the 1950s.

To accomplish these tasks, President Mubarak is seeking every possible economic opportunity for his country. An example of these efforts is the recent bilateral agreement with Libya. Negotiations with Qadhafi have reopened the border and established the basis for future cooperation in agriculture and industry. One important benefit of these initiatives for Egypt is the opening of employment opportunities for Egyptians in Libya. With labor markets in other Arab countries shrinking, Egypt needs to find opportunities for its large expatriate labor force. Improved relations with Libya may also enable President Mubarak to influence Qadhafi's behavior and dampen Libyan adventurism.

During this time of economic difficulty, it is imperative that we continue our strong support for Egypt. U.S. security assistance not only aids President Mubarak in accomplishing needed economic reforms, but also allows Egypt to better defend itself and to assist the U.S. in protecting our mutual interests in the area.

INDIA-PAKISTAN-AFGHANISTAN SUB-REGION

Tensions in this important region have decreased over the past year. Recent elections in Pakistan and India may provide further motivation for better relations between these traditional rivals. While long-standing issues, such as the Jammu-Kashmir border dispute, remained unsolved, the new governments in both nations seem eager to avoid conflict and to move in the direction of compromise. Last year they signed initial agreements on nuclear, cultural, counternarcotics and border security issues. In addition, a number of major concerns, including the ongoing Siachen Glacier confrontation, have been addressed at the ministerial level.

Following the Soviet withdrawal, the conflict in Afghanistan has taken on the dimensions of a protracted civil war with sporadic and inconclusive fighting. Pakistan continues to provide essential support to the Afghan Interim Government (AIG), the Mujahedin and over three million Afghan refugees. Although the number of serious incidents along the Pakistan-Afghanistan border has declined, the periodic firing of SCUD missiles into Pakistan (the latest exploding 20 miles from the capital) are an indicator of this civil war's potential to spill over into neighboring areas.

PAKISTAN

Strategically located between the Soviet Union, Iran and India, Pakistan provides key support to U.S. regional initiatives. Its continuing influence with the Mujahedin and its access to key Iranian leaders make it an important player in determining the ultimate course of events in both Afghanistan and Iran. Throughout the 1980s, Pakistan's highly professional armed forces have relied heavily on U.S. assistance for essential force modernization. Our program encourages confidence in conventional defensive capabilities against regional threats through the acquisition of modern weapons, thus reducing the perceived need for nuclear capability. The success of this approach was evidenced by Prime Minister Bhutto's declaration that Pakistan has no programs that could violate the Nuclear Non-Proliferation Treaty. The U.S. government has recently recertified, in compliance with the Pressler Amendment, that the country does not possess a nuclear explosive device.

By enhancing military capabilities and self-confidence, the U.S. security assistance program bolsters the Pakistan Armed Forces. The outstanding professionalism of this force has been evidenced many times since the death of President Zia, and it has been seen by many as a key factor in ensuring the stability necessary to allow an emerging, fragile democracy to mature and prosper. We should continue to provide security assistance at current levels while seeking innovative ways to enhance our close military-to-military relationship.

AFGHANISTAN

A year ago, it was widely believed that the withdrawal of Soviet forces from Afghanistan would lead to the imminent fall of the Najibullah government in Kabul. This has not been the case as the Soviets have provided massive arms aid to prop up the Afghan government's defense of the major cities. The Mujahedin, who are experts in guerrilla warfare, have not been successful in conventional attempts at taking control of the major population centers, where attacker to defender ratios have been significantly in favor of Najibullah's troops. The Mujahedin remain highly successful in their guerrilla tactics and control a majority of the countryside while continuing to press the interdiction of the large influx of Soviet arms. These tactics are characteristic of the Mujahedin who will continue to fight to ensure their freedom, their individualistic way of life, and to overthrow of the Soviet-sponsored Najibullah regime. This will only be possible if we continue to supply the Mujahedin with necessary arms, as one thing is certain--the side that loses its military support first will lose the war.

Any effective solution to this civil war will require the establishment of some form of government, free from direct outside influence. Such a government must be able to guarantee individual freedoms and be acceptable to all major parties including the Mujahedin field commanders and Afghan tribal leaders.

The U.S., UN, and other national and international relief agencies are helping Afghans begin the massive rebuilding effort that will be required when the war does end. In some areas, such as health and education, considerable progress has already been made. To respond to the special challenge they will face when returning home, over five thousand Afghans have been trained by USCENTCOM military personnel in mine awareness and deactivation under the auspices of the UN's Operation Salaam. However, considerable support will be required to rebuild electrical power networks, roads, and other essential national support infrastructure. The U.S. must continue its support for the programs that are assisting Afghans now, encourage continued support by other countries and international organizations, and work with the Afghans to build a solid foundation for future social and economic recovery.

RED SEA - GULF OF ADEN SUB-REGION

The Red Sea waterway and its crucial choke points are the center of U.S. interests where Africa and Asia converge. Yet, the Soviet Union has firmly entrenched itself on both sides of the Bab el Mandeb choke point by providing unprecedented levels of arms and advisors to Ethiopia and People's Democratic Republic of Yemen (PDRY). Through this relationship, the Soviets have gained direct military benefits in the form of basing rights and access. In return, the Soviets have provided these two nations the capability to interdict shipping and to threaten their more moderate neighbors. Recognizing the strategic importance of this area, the U.S. is working to improve its relationship with Yemen Arab Republic through a security assistance program and increased military-to-military cooperation. Any conflict in this volatile sub-region could spill over national boundaries and effectively close the Bab el Mandeb to Free World shipping. As in the Persian Gulf, the U.S. might then be required to commit military forces to protect U.S. commercial shipping and guarantee freedom of navigation. The U.S. should take a proactive stance in this sub-region to develop cooperative relationships that will provide us with the access necessary to protect our vital interests.

YEMEN ARAB REPUBLIC (YAR)

While YAR's location adjacent to the vulnerable Bab el Mandeb is militarily significant, its economy has never been able to support the development of a military infrastructure capable of meeting the country's defensive needs. As a result, YAR has accepted foreign financial aid, equipment and advisory assistance to develop its armed forces.

Although most of YAR's military hardware has come from the Soviet Union, a small, yet highly successful U.S. security assistance program, with Saudi Arabian support, has given YAR an alternative to dependence on the Soviet Union. While the U.S. should not compete with the level of Soviet assistance, we should at least maintain the U.S. equipment that is currently in the Yemeni inventory, provide related training and respond to requests for moderate military assistance. Five years ago the U.S. military assistance program peaked at $5 million. Since that time, while YAR has undertaken significant steps in nation-building and struggled to improve its economy, the U.S. has reduced its support.

This reduced security assistance funding, ($500K in FY90), has hampered any significant progress in building our military-to-military relationship. Even our current logistics and tactics training programs and the highly successful English Language Training Detachment can only be continued through FY91. Indicative of this problem is the need to repair YAR's three Broadsword patrol boats. These craft, when operational, will allow the government to patrol the approaches to the Bab el Mandeb. With $3.5M in security assistance funding, the U.S. would be able to assist YAR in repairing the Broadswords, thus allowing the government to meet its legitimate need for coastal surveillance and patrol of adjacent waterways. Despite the reduced U.S. funding and Soviet enticements of military equipment and training programs, YAR continues to express a desire for closer relations with the U.S. For a modest increase in security assistance, we can advance the U.S.-YAR relationship, counterbalance Soviet influence and improve our ability to protect U.S. vital interests.

PEOPLE'S DEMOCRATIC REPUBLIC OF YEMEN (PDRY)

The Marxist state of PDRY occupies the strategic southeastern tip of the Arabian Peninsula at the Bab el Mandeb. Continued arms deliveries, including surface-to-surface ballistic missiles, and a significant Soviet presence are clear indications that the Soviet-PDRY relationship remains strong. Access to air and naval facilities in PDRY gives the Soviets a vital forward base for rapid deployment, extends the operational capability of their navy, and enables them to threaten closure of the Bab el Mandeb. For years, PDRY has been a destabilizing influence in the region, as evidenced by repeated border skirmishes with Saudi Arabia, Oman and YAR.

Despite its dependence on the Soviet Union, PDRY has recently expressed a desire to reestablish relations with the U.S., thereby reducing its political isolation. Moreover, the recent YAR-PDRY unity initiatives, which have support on both sides of the border, have gone a long way toward beginning the process of normalizing relations between these two countries. The U.S. should encourage a continued dialogue with PDRY to reduce tensions and enhance regional stability.

SOMALIA

Somalia's bloody and inconclusive insurgency continues. For its part, the U.S. has taken measured actions to encourage the Somali government to seek peaceful solutions to the conflict and to improve its human rights practices. For example, last summer we cancelled an important combined exercise, and we recently initiated a significant drawdown of personnel and military programs. In the face of these actions, Somalia has approached countries across the political spectrum in a bid to obtain the economic support and arms it perceives it needs. Thus far, Libya has provided the most positive response to Somali overtures.

Access to facilities in Somalia continues to be a part of USCENTCOM's regional strategy. Maintaining a U.S. military presence in Somalia and continuing our military relationship, even if security assistance is confined to non-lethal items, allows us to maintain valuable contacts, counterbalances the growing relationship between Somalia and Libya, and helps Somalia maintain its political and territorial integrity.

DJIBOUTI

Djibouti is a valued friend in the strategic Horn of Africa. The access it offers to port and airfield facilities, the cooperation it extends to our naval forces when in the Red Sea, and the presence of French ground, air and naval forces make Djibouti an important factor in the regional stability equation. Its pro-Western government faces domestic economic disorders and a considerable refugee problem imposed by its geographic location between two larger countries, Ethiopia and Somalia, that have severe internal problems. Our modest security assistance program with this key regional nation will continue to return substantial dividends.

KENYA

For years Kenya has been a showcase of stability with its pro-Western government cooperating with the U.S. on a broad range of military issues. Mombasa is the only major port available to the U.S. on the East African coast capable of accommodating battle group-size ship visits. Recently, however, internal instability engendered by emerging refugee and rebel forces from Somalia are becoming major concerns for the government. Additionally, Kenya's internal stability has been increasingly threatened by large bands of heavily armed poachers, frequently from outside its borders. If unchecked, these poachers could threaten Kenya's economic livelihood. Often, these poachers are better armed and equipped than government security forces. To combat these threats, Kenya needs equipment and training assistance that focuses on mobility and rapid response.

Because of our long-term friendship and its increasing internal difficulties, Kenya places great emphasis on its security assistance relationship with the U.S. The focus of our joint efforts has been to provide needed defensive capabilities and, through engineering assistance, to improve nation-building infrastructure. Our continuing security assistance will help Kenya to maintain the stability it needs to preserve its democratic institutions and overcome pressing economic difficulties.

ETHIOPIA

For over thirty years, Ethiopia has been involved in an internal war that has virtually destroyed the country's economic infrastructure. Despite billions of dollars in Soviet aid and support from thousands of Cubans, the Ethiopian government has been unable to defeat the insurgents. During the past year, Eritrean and Tigrean forces have won major victories in the northern provinces, exacting a large number of casualties and provoking numerous desertions from the government's forces.

These insurgent victories and Western pressure have led to recent shifts in Ethiopian practices and policies. The regime has agreed to open discussions with its adversaries, and in late summer 2,500 Cuban combatants left Ethiopia and returned home. In September, the Ethiopian government was most cooperative in assisting U.S. efforts during the search and rescue efforts for Congressman Leland and party. There are now indications that the government may be seeking ways to resolve its internal problems and improve relations with the U.S. Any Ethiopian initiative leading to a decrease in regional tensions should be welcomed by the U.S. and viewed as an initial step toward reestablishing a positive bilateral relationship.

SUDAN

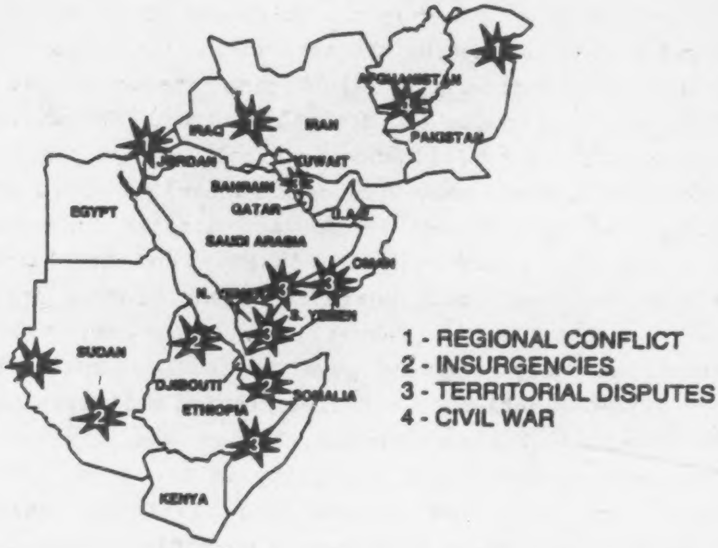
Sudan, the largest country in Africa, is located on the frontier between the Arab World and Sub-Saharan Africa. Astride the Nile, Sudan has the potential to adversely impact the economic lifeblood of Egypt and thus disrupt regional stability. In June 1989, Sudan's military, frustrated by the lack of progress in resolving economic and political problems and ending an insurgency, overthrew the democratically elected government of Sadiq Al Mahdi in a bloodless coup. The military coup produced a pro-Egyptian regime that also appears ready to establish closer military and economic relations with the U.S.

While improved relations with the U.S. may be desirable, U.S. sanctions, enacted under Section 513 of the Foreign Operations Appropriations Act in response to the overthrow of the democratically elected government, make Sudan ineligible for military and economic assistance. The new government, like its predecessor, has been unable to end the prolonged insurgency. Faced with seemingly insurmountable internal problems, the Sudanese government has agreed to hold peace negotiations with the Sudanese People's Liberation Army (SPLA) and to resume badly needed relief flights. Although too early to predict the results of these actions, they are positive steps in the peace process. During this difficult period, we will monitor Sudan's progress and take positive steps when appropriate to assist the country in achieving our mutual goals of internal peace and regional stability.

THREAT

The threats to U.S. interests in our AOR exist on three levels. The most probable near-term threat involves regional conflict fed by an increasingly lethal arms race. Additionally, we face the challenge of countering increasing Soviet influence as they actively pursue their strategic interests in the region. Finally, the threat of international terrorism is present since the AOR is home base for over 60 terrorist groups.

REGIONAL CONFLICTS, INSURGENCIES, TERRITORIAL DISPUTES, AND CIVIL WAR


AFGHANISTAN
PAKISTAN
IRAN
IRAQ
JORDAN
KUWAIT
BAHRAIN
QATAR
U.A.E.
EGYPT
SAUDI ARABIA
OMAN
N. YEMEN
S. YEMEN
SUDAN
DJIBOUTI
ETHIOPIA
SOMALIA
KENYA
1 - REGIONAL CONFLICT
2 - INSURGENCIES
3 - TERRITORIAL DISPUTES
4 - CIVIL WAR

Regional conflicts, with the potential to spill over and directly involve U.S. military forces, are the principal threat to U.S. interests in our AOR.

Although Israel lies outside USCENTCOM's AOR, the longstanding Arab-Israeli dispute exerts a dominate influence in our relations with states in the region. The U.S. and our friends have done much diplomatically to find a peaceful solution to the Arab-Israeli dispute, but a lasting peace remains a distant goal. A resolution of this prolonged confrontation would do more to guarantee peace and stability in the region than any other event or combination of events.

Although Iran and Iraq agreed to a cease-fire in August 1988, no peace treaty has been signed. This no peace-no war situation has caused both sides to pursue rearmament programs. While each nation is purchasing more lethal weapons, the balance of power is dramatically in favor of Iraq. Regionally, Iraq is now the preeminent military power in the Gulf, and it is assuming a broader leadership role throughout the Arab world. Iraq has the capability to militarily coerce its neighboring states should diplomatic efforts fail to produce the desired results. Meanwhile, a radical element continues to influence internal Iranian politics--despite sporadic indications that President Rafsanjani would prefer a more moderate and open course in foreign affairs in order to speed Iran's economic recovery. Iran's Navy and Revolutionary Guard remain strong, and could again threaten shipping in the Persian Gulf. Recent Iranian naval and amphibious exercises have demonstrated their offensive power projection capabilities. Also, Iran's SILKWORM anti-ship missiles provide a limited capability to close the vital Strait of Hormuz. In sum, the Iran-Iraq cease-fire ensures neither peace nor stability in the Gulf. The expanding regional arms race and longstanding rivalries, which were not eliminated by the cease-fire, remain potential causes for conflict.

The Iran-Iraq War is largely responsible for the accelerated pace of arms development and proliferation of missiles in the region. The war demonstrated growing acceptance by both sides of the use of chemical munitions as anti-personnel weapons. Iraq now has a sizeable stockpile of chemical munitions and, in response, both rivals and more moderate neighbors perceive a need for similar weapons as deterrents. While not as widespread, several regional states are also conducting advanced biological warfare research and development.

During the war, ballistic missiles were used on undefended populations. Iran and Iraq, along with several other states in the region, are now actively engaged in a missile arms race which can threaten the military balance in Southwest Asia. The recent test-launch of an Iraqi missile designed to place a payload in earth orbit is only the latest example of their developing capability. The resulting proliferation of these advanced weapons heightens the likelihood and lethality of war in the region.

On a lesser scale of intensity, territorial disputes dot the region, particularly the Arabian Peninsula. The Hawar Islands have been the subject of disagreement between Bahrain and Qatar since the 1930's. Further south, People's Democratic Republic of Yemen (PDRY) disputes its borders with Saudi Arabia, Yemen Arab Republic (YAR) and Oman. Border clashes between PDRY and Oman have occurred as recently as October 1989. Future incidents are likely as long as these territories remain in dispute.

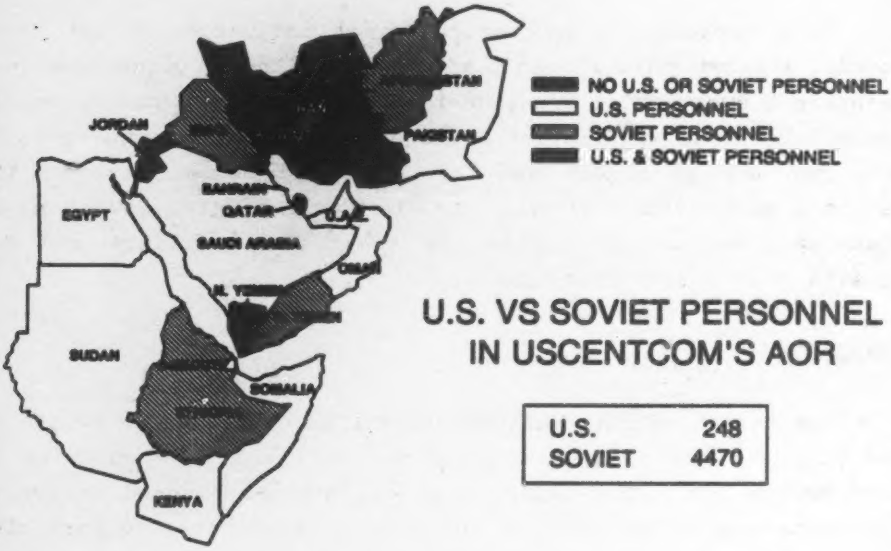
On the African continent, tensions between Ethiopia and Somalia over the disputed Ogaden region that led to war in 1977 are still present, and armed conflict between the two countries could reoccur. Internal insurgencies continue to plague Sudan, Ethiopia and Somalia. Human rights violations in Sudan and Somalia, and the accompanying coup in Sudan, have triggered restrictions on U.S. aid. Libya's Colonel Qadhafi has subsequently attempted to influence events by providing arms, oil and economic assistance to both Sudan and Somalia. Libya also uses Western Sudan's Darfur Province as a staging area to support Chadian insurgents. The region has been the site of conflict between Chadian government forces and insurgents who seek refuge there.

India and Pakistan represent another potential source of conflict. Although the immediate threat of another general war is low, these countries have fought three wars since their independence in 1947, and seasonal skirmishes continue in the Siachen Glacier and Kashmir border region.

Finally, despite the Soviet withdrawal, Afghanistan remains embroiled in a civil war between the Mujahedin resistance and the communist Najibullah regime. A massive resupply effort by the Soviets, costing them an estimated $250 million per month, has enabled the regime to hold on to the major cities. Meanwhile, the Mujahedin, hampered by religious and tribal differences, have yet to exercise the level of cooperation and cohesion necessary to mount a coordinated, nationwide campaign. To their credit, however, the Mujahedin do control the vast majority of the countryside and are pursuing a more unified political and military strategy.

INCREASING SOVIET INFLUENCE

The primary objective of Soviet foreign policy is to prevent any region contiguous to its borders from serving as a base for activities directed against the motherland. Interest in reducing American presence in and access to the region will remain paramount. The Soviets also face the challenge of minimizing the disruptive influence of separatist and radical movements in their southern republics. They will likely emphasize political solutions and de-emphasize confrontations to improve their standing among the Persian Gulf moderates and, thereby, enhance their interests. Through patient, persistent diplomacy the Soviets have successfully engineered incremental improvements in relations with several regional states.


JORDAN
PAKISTAN
BAHRAIN
QATAR
U.A.E.
EGYPT
SAUDI ARABIA
OMAN
N. YEMEN
SUDAN
SOMALIA
KENYA
NO U.S. OR SOVIET PERSONNEL
U.S. PERSONNEL
SOVIET PERSONNEL
U.S. & SOVIET PERSONNEL

U.S. VS SOVIET PERSONNEL
IN USCENTCOM'S AOR

U.S.	248
SOVIET	4470

Bolstered by an extensive program of arms sales and security assistance, Soviet military technicians and advisors in the region outnumber American personnel by better than eighteen to one. In the Middle East, where face-to-face interpersonal relations are so critical to success, this overwhelming Soviet presence translates into increased influence. This may already account, in part, for the establishment of Soviet diplomatic relations with Oman and the United Arab Emirates (UAE) in 1985 and with Qatar in August 1986. During the last year, the Soviets made substantial inroads in repairing their relations with Egypt, and resumed sales of military-associated equipment. Equally disturbing, the Soviets have made considerable progress in renewing relations with Iran. Moscow has promised Tehran defensive systems to rebuild its decimated military and has negotiated to help rebuild war-damaged industries.

As a backdrop to increasing Soviet influence, Soviet naval forces, including the flagship of the Soviet Indian Ocean Squadron, maintain a substantial presence in the area despite the Iran-Iraq cease-fire. The majority of Soviet naval assets are concentrated near the Bab el Mandeb and the Strait of Hormuz, two of the region's major choke points. In the Persian Gulf, Soviet naval presence provides protection for their arms carriers and for Kuwaiti-chartered Soviet tankers.

TERRORISM

The threat of international terrorism continues to be one of the most serious problems facing the U.S. and the countries of USCENTCOM's AOR. The majority of all state-sponsored terrorist incidents worldwide occur in this region, where over 60 terrorist groups now operate. Terrorist acts, whether to reduce U.S. influence or as a by-product of regional conflict, will continue to be employed by radical groups who lack military power or constructive channels for political expression.

Many terrorist groups are influenced and supported by state-sponsors, notably Iran, Libya and Syria. Radical Palestinian groups, like the Abu Nidal Organization and the Popular Front for the Liberation of Palestine-General Command, continue to rank among the most deadly and capable groups that operate and train in this region.

NATIONAL AND REGIONAL OBJECTIVES

The national security strategy of the U.S. has been developed with one basic goal in mind--to keep America free, and its fundamental institutions and values intact. Fulfilling this goal requires a broad plan designed to achieve both global and regional objectives. Our primary national security objectives are well-defined.

- To increase U.S. influence around the world; to further an atmosphere conducive to democratic progress; and to protect free commerce and ensure U.S. access to world markets, associated critical resources, the oceans and space.

- To deter military attack against the United States, its allies and other important countries; and to ensure the defeat of such an attack should deterrence fail.

President Bush has reaffirmed America's commitment to protect its vital regional interests throughout Southwest Asia. USCENTCOM's task is to assure sufficient military capability is available to achieve the national security objectives and fulfill the requirements of our regional commitment. Accordingly, USCENTCOM's objectives are:

- To ensure continued access to Arabian Peninsula oil.

- To maintain an effective and visible U.S. presence throughout the region.

- To assist friendly states to improve their own defensive capabilities.

- To prevent the military coercion of friendly states.

- To deter or, if necessary, counter aggression directed against vital U.S. interests.

Using national and regional security objectives as the guide, USCENTCOM has developed a theater strategy that recognizes the importance of the region, considers its unique problems and addresses the global and regional threats.

THEATER STRATEGY

The unprecedented changes in international relations during this past year have generated a review of U.S. objectives and strategy for all areas of the world. Changes in the Soviet Union and Eastern Europe offer significant opportunities for reducing East-West tensions. While these changes are hopeful signs of a better future, many promises are yet to be fulfilled and any results will not apply equally around the globe.

While the improved relations between the Soviet Union and the U.S. have reduced the threat of a global war, the same is not true for regional conflict. In fact, the possibility of a regional conflict may actually increase as tensions, previously overshadowed by the East-West confrontation, emerge. The growing international interdependence, the common need for access to critical resources, the proliferation of modern weapons, the increase of non-national actors (terrorist groups, drug cartels, and international corporations), and the resurgence of nationalism and religious fervor create opportunities for rapid change, friction and possible conflict.

Recognizing this potential for rapid change in the future, USCENTCOM's strategy is flexible and adaptable. It consists of three mutually supporting strategies--peacetime, regional contingency and global warfare. The central purpose of all three strategies is to deter attacks on our vital interests or on friendly states by credibly demonstrating U.S. commitment to a common defense and regional stability. By increasing the defensive capabilities of our friends and improving our regional access, we decrease the potential for deliberate or accidental conflict. Though prudence requires a wartime strategy that addresses the potential for a global war with the Soviet Union, USCENTCOM has placed special emphasis on the command's peacetime and regional contingency strategies.

PEACETIME

Elements of our peacetime strategy follow.

- Build pro-Western coalitions.
- Demonstrate U.S. commitment.
- Counter Soviet influence.
- Improve regional access.

Presence, combined exercises and security assistance form the pillars of our peacetime strategy.

Presence is the visible symbol of America's continued interest in and concern for the region. It is more than just military forces. Humanitarian assistance programs, conferences, training programs and exchanges (in fact, almost anything that reinforces our desire for a mutually beneficial partnership) constitute presence and are key factors in maintaining close relations with our friends throughout the region. It is within this context that our deployed forces operate during peace--meeting with governmental representatives, promoting regional cooperation and stability, and demonstrating U.S. resolve to protect vital regional interests. The Joint Task Force Middle East (JTFME) is the most visible symbol of America's regional presence, while its Earnest Will ship protection operations symbolize our ability and willingness to honor commitments.

Combined exercises serve to demonstrate our resolve and help increase both presence and access to regional facilities. These exercises:

- Strengthen U.S./host-nation military-to-military relations.
- Provide U.S. forces an opportunity to visit and become familiar with the peoples and countries in the AOR.
- Bolster host-nation confidence in America's ability to support regional stability.
- Provide opportunity for USCENTCOM to evaluate the readiness of apportioned forces.
- Improve the ability of all forces to work together in a coalition environment.

Exercises assume an added importance as a means of maintaining military-to-military relationships with states whose security assistance funding has been reduced or curtailed. Funding for combined exercises must be maintained and, when prudent, increased to moderate the impact of reduced security assistance and serve as a clear signal of U.S. commitment and resolve.

Security assistance funding, accurately targeted, can provide the most visible and lasting impression of U.S. presence and commitment, while opening avenues for increased access to the region's resources and facilities. This funding not only provides the means for nations to improve their own defensive capabilities, but also lowers the potential for U.S. forces to directly intervene in regional crises. At the same time, it bolsters U.S. employment and industries through military and non-military sales. There is still work to be done in developing security assistance funding and arms supply arrangements that are consistent, supportive and credible.

REGIONAL CONTINGENCY

Elements of our regional strategy follow.

- Deterrent actions.
- Deploy forces rapidly.
- Rely on host-nation support.
- Fight in coalition warfare environment.
- Terminate conflict early.

Our regional contingency strategy builds on the peacetime strategy to provide an extensive range of flexible, measured responses to regional aggression. This approach strengthens deterrence by preventing a potential aggressor from predicting our reaction and what price he would pay for breaking the peace. If deterrence fails, this same flexibility would provide appropriate options to respond to any crisis. In all cases, emphasis is placed on coalition warfare where our friends and allies assume their fair share of the responsibility for the region's defense and security. This approach allows us to concentrate on the actions necessary to reach a speedy and favorable end to any crisis.

GLOBAL WARFARE

Elements of our global strategy follow.

- Ensure access to oil.

- Operate successfully in coalition warfare environment.

- Keep sea lines of communication open.

- Deny Soviet objectives.

Our global warfare strategy builds on the peacetime and regional contingency strategies, and is designed to meet requirements that would be encountered during a global confrontation with the Soviet Union. As in the regional strategy, its key elements are flexibility and coalition warfare. Considering the finite number of U.S. forces and the extensive requirements of a global war, USCENTCOM could be a secondary theater of operations and our success would require a concentrated effort by available U.S. forces with extensive reliance on our regional friends and allies.

Of necessity, these three strategies emphasize achieving objectives using the minimum force required and capitalizing on the combined effect of U.S. and friendly forces operating together. Clearly, whether for deterrence in peace or for achieving our contingency and wartime objectives, the active support of our friends and allies is a critical element in securing our vital regional interests.

COUNTERNARCOTICS EFFORTS

USCENTCOM actively supports the National Drug Control Strategy. Our area of responsibility encompasses the "Golden Crescent" drug producing region (Afghanistan, Pakistan and Iran) which supplies approximately 25 percent of the heroin consumed in the U.S. Several other countries in the area serve as transshipment points in illicit drug distribution networks.

Our Command goals are to significantly reduce narcotics originating from our AOR and to assist each host nation in achieving self-sufficiency in the eradication of narcotics production and trafficking. These goals support the national objective of reducing the flow of narcotics into the U.S. To accomplish this, we assist other theater CINCs and directly support U.S. government agencies involved in counternarcotics efforts in our AOR. This includes providing communications, tracking, surveillance and intelligence. We are actively seeking additional approaches to counter this problem. Our efforts are limited, however, to the extent that no forward deployed forces, other than the small contingent associated with JTFME and our security assistance representatives, are on-the-ground in host countries.

Additional emphasis was placed on this important mission when Operation Native Trout began in June 1989. The first phase involved the formulation of assistance plans with embassy country teams and the building of an organization to achieve higher levels of support. Following this, USCENTCOM held a counternarcotics conference in September 1989 to coordinate regional counternarcotics efforts and to further develop the infrastructure and connectivity necessary to achieve our regional goals. We have organized, within our headquarters staff, a specific counternarcotics division to coordinate and direct our regional operations. We are now taking steps to establish positions within our overseas missions that will dedicate military personnel to work the counterdrug program.

We conducted our first operation in October 1989 when our Office of Military Cooperation in Cairo coordinated with Egyptian officials to obtain DOD assistance in tracking a suspected drug smuggling ship in the Eastern Mediterranean. On 4 November, the Greek motor vessel THANASSIS was boarded by Egyptian Anti-Narcotics General Administration (ANGA) officers; 7,320 kilograms of hashish were seized and the crew arrested. Later, the drug trafficker behind this smuggling attempt was also arrested. This operation demonstrated the high level of cooperation which has been achieved between USCENTCOM, U.S. European Command, DEA representatives and the Egyptian drug enforcement agency.

For our program to succeed, we must build on this initial success. The full cooperation of regional states will be required. Host-nation acknowledgement of their important role in international efforts to eradicate drug trafficking and production, followed by a consensus to act, will complement U.S. actions to stem the flow of these destructive substances into our country. USCENTCOM will continue to aggressively pursue counternarcotics procedures, explore innovative ideas, and seek greater regional cooperation in support of our National Drug Control Strategy. Strong Congressional support for this important U.S. initiative has been, and will continue to be, critical to the attainment of our goals in the region.

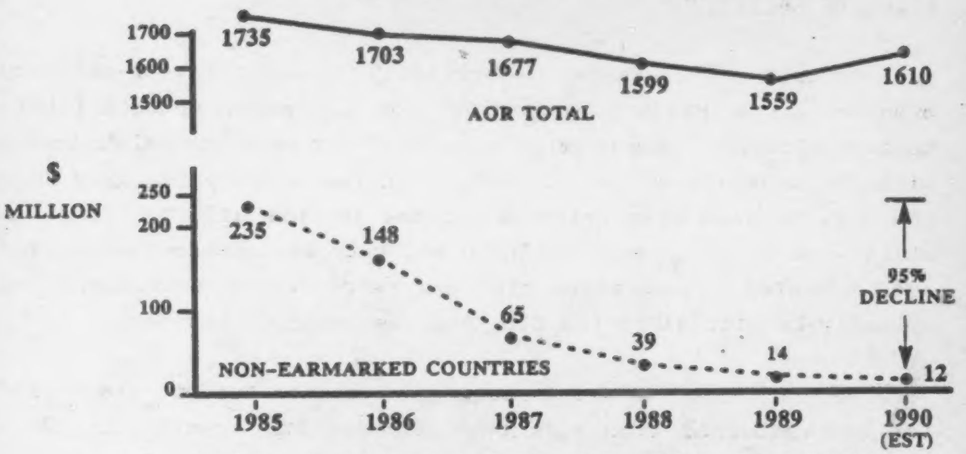
RESOURCES

SECURITY ASSISTANCE

Security assistance, essentially a military-to-military program, is a primary instrument for implementing USCENTCOM's theater strategy. The promise of a long-term security relationship with the moderate states of the region can only be realized when the U.S. is seen as a reliable partner in this effort. There is still work to be done in building security assistance funding and arms transfer arrangements that are perceived as consistent and mutually beneficial to the U.S. and its security partners.

Program reductions in security assistance funding since 1985 for non-earmarked countries have damaged our credibility as a reliable security assistance partner, and threatened both our regional access and overall military-to-military relationships. This situation is exacerbated by the "earmarking" of security assistance funds--causing some of our countries to bear a disproportionate share of the reductions. The effective termination of many security assistance programs has fostered the appearance that the U.S. is retreating from its regional responsibilities, and has allowed our allies as well as our adversaries opportunities to capitalize by stepping in to fill these gaps.

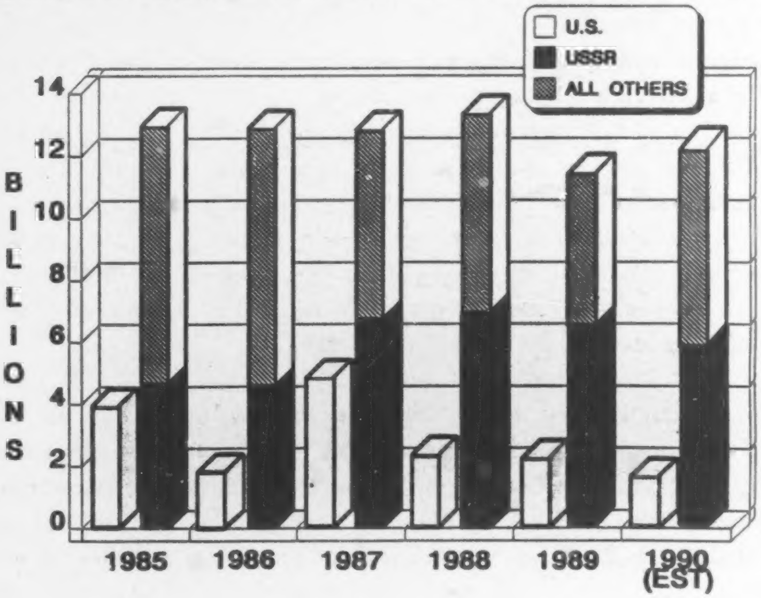
U.S. SECURITY ASSISTANCE FUNDING
USCENTCOM AOR



NOTE: "AOR TOTAL" LINE INCREASED DUE TO ADDITIONAL EARMARKED FUNDS FOR JORDAN IN 1990

During this period, earmarked funding has remained relatively constant while non-earmarked funds are down substantially. The funds currently available to several of the countries vital to our theater strategy do not provide for even their most basic military needs. Yemen Arab Republic is a perfect example. This nation is of critical importance to the control of the Bab el Mandeb Strait, yet it received only one million dollars in security assistance in FY88, $500 thousand in FY89, and $500 thousand in FY90. YAR has repeatedly requested U.S. assistance for repairing its Broadsword Patrol Boats--essential for patrolling the strategic waters around the Bab el Mandeb. The $500K allocated to YAR in FY90 will only marginally sustain existing defense needs. This amount is not adequate to effect these critical boat repairs. CINCs, as the regional military experts, should be consulted early on and continuously throughout the security assistance allocation process. This consultation would provide for the distribution of funds to support our national and military strategies and avoid a repetition of the YAR situation.

FOREIGN MILITARY SALES AND SECURITY ASSISTANCE IN USCENTCOM AOR



Our restrictive arms transfer policies also call into question U.S. reliability. The political battles in the U.S. Congress that invariably accompany proposed arms sales to Saudi Arabia and other Gulf states have produced inconsistent and, for our Arab friends, frequently embarrassing results. Consequently, these states are turning increasingly to other sources. The Saudi Deputy Information Minister recently noted that Britain obtained Gulf states defense contracts totalling some $68 billion as a result of U.S. refusal to sell sophisticated arms. In Saudi Arabia, these purchases included 72 TORNADO all-weather attack fighters, bought following the U.S. refusal to sell the Kingdom 40 F-15E strike aircraft. Similarly, when the F-18 package for Kuwait was thought to be in trouble because of Congressional problems with MAVERICK missiles as part of the purchase, Kuwait's Prime Minister was quoted in the September 1988 edition of Defense Science as saying, "Don't be surprised when you read tomorrow, or next week, or next month that Kuwait has bought its military equipment from Moscow."

Another example is the buy-back provision of the STINGER anti-aircraft missile sale to Bahrain which is still an issue. Although recent legislation postpones the problem until September of 1991, a resolution giving Bahrain sole ownership is required. Such provisions embarrass both the United States and the purchasing country by insinuating that we cannot trust a proven friend and that our own commitment is vacillating. Because of this, we should not be surprised if the Bahrainis begin to seek arms for their legitimate self-defense needs elsewhere.

In almost every case, when moderate Arab states turn to Western European nations, North Korea, China, or the Soviet Union, the weapons they acquire are accompanied with fewer constraints on employment than those available from the U.S. Furthermore, acquisition of non-U.S. systems by regional states diminishes interoperability with the U.S. and makes it increasingly difficult to respond to regional contingencies. As a result, opportunities for the U.S. to play a role in escalation control or resolution of relatively small conflicts are reduced, and the chances for miscalculation, overreaction and a broadening of the conflict are increased.

Security assistance problems are reversible, however. The recently passed fair pricing legislation is a step in the right direction. This legislation will help stretch security assistance dollars and demonstrate U.S. commitment and concern for the defense needs of its friends. Additionally, we appreciate the increased FY 90 funding for Jordan as a demonstration of U.S. commitment.

Continued flexible funding initiatives must be pursued. For example, loosening the restrictions imposed by the Brooke-Alexander Amendment on International Military Education and Training (IMET) and the African Civic Assistance (ACA) programs would be a positive step. These are people-oriented and cost-effective programs in which a relatively small investment can yield significant benefits in international understanding, cooperation, and development of military-to-military relationships. By loosening the restrictions, the U.S. would have another avenue to help the leaders and populations of regionally important countries.

EXERCISE SUPPORT

Combined exercises represent a principal means of supplementing U.S. presence in the AOR, gaining regular access to areas without permanent U.S. bases, and establishing and maintaining military-to-military relationships. Exercises are essential for familiarizing USCENTCOM forces with the Middle Eastern/African environments, executing combined operations with host-nation forces, and for demonstrating U.S. commitment and resolve.

Small exercises are the first step in expanding relationships and are an effective starting point for countries allowing first-time access. As exercise levels increase, command relationships, technical complexity, and the size and importance of these exercises grow and ideally, culminate in a country's involvement in USCENTCOM's keystone exercise, BRIGHT STAR.

BRIGHT STAR provides the most challenging opportunity to train and test a large U.S. joint service force alongside the armed forces of host countries in the AOR. BRIGHT STAR 90 once again validated the critical role played by exercises in our strategy for this vital region, improved the understanding and conduct of coalition warfare, and enhanced interoperability between U.S. and host-nation forces. Key regional leaders were very enthusiastic about participation in this exercise and stressed the importance of continued U.S. support and presence. It is important to note that with the drawdown of U.S. forces in the Gulf and the reality of constrained security assistance budgets, combined exercises have become a primary means of maintaining our presence in the region. Exercise budgets are decreasing at the same time that our requirements for joint and combined training are increasing to meet command goals and objectives. Unless this situation is reversed, we will have to scale back or cancel some of our exercises for this year and upcoming budget years. Our commitment to our friends and resolve to support them will be questioned and our ability to maintain a viable presence in the region may be curtailed. Finally, our ability to meet command and national objectives in this vital area of the world will be hindered.

TITLE 10 FUNDING

The nations of the USCENTCOM AOR vary widely in their economic ability to support their armed forces. Because of severe financial difficulties, some countries cannot possibly participate in combined exercises without harming other essential programs. Title 10 funding supports the exercise programs of these countries, while directly benefitting the USCENTCOM exercise efforts:

- Section 2010 (Participation of Developing Countries in Combined Exercises: Payment of Incremental Expenses) enhances exercises by providing supplies (food, fuel, ammunition, etc.) to our exercise partners or directly replacing their stocks. This support is often critical to countries with minimal stockpiles.

- Chapter 20 (Humanitarian/Civic Assistance) allows U.S. forces participating in combined exercises to help the civilian populace by authorizing humanitarian construction projects (such as water wells) and providing medical treatment and supplies. These efforts improve relationships with people outside the military while providing realistic training for U.S. forces. Last November for example, in Jordan, U.S. Air Force medical teams treated approximately 3,000 children and adults, providing TB screening, immunizations, dental treatment, and outpatient medical care. U.S. Army engineers supporting an airfield construction project in Kenya took the time to drill and install a well at Bargoni, a small village on the frontier. Prior to our efforts, villagers travelled two kilometers each way to carry water for their families and livestock. Thanks to this project, the people have a water source in the center of their community.

- Section 1051 (Bilateral or Regional Cooperation Programs/ Payment of Personnel Expenses) provides the capability to bring foreign defense personnel to the U.S. in order to plan and observe large-scale exercises and tactics. We encourage making this authority permanent as a means of improving our planning efficiency.

By linking these programs to USCENTCOM exercises, we enhance the image of the U.S. and gain critical access within the region. Furthermore, we demonstrate our willingness to provide assistance as a coequal partner. Continued funding for these important programs is essential.

EXERCISE RELATED CONSTRUCTION(ERC)

The Exercise Related Construction (ERC) Program is highly successful throughout the region. As part of our exercise program, ERC provides excellent engineer training under the demanding environmental conditions in our theater, improves military-to-military host-nation relationships, and assists in developing and maintaining an effective theater logistics infrastructure. In every country visited during BRIGHT STAR 90, host-nation officials were visibly impressed with our ERC activities. We improved airfields, built storage facilities, constructed an assault airstrip and training ranges. For the comparatively small investment required for this program (USCENTCOM's share for FY90 was less than $1.5M), we receive tremendous benefits in the form of increased exercise effectiveness, enhanced host-nation support, and reduced requirements for airlift and sealift. Your continued support of this cost-effective program clearly demonstrates U.S. interest, commitment and resolve.

PERSONNEL

The quality force of men and women assigned to USCENTCOM is the consistent key to our mission accomplishment. This command strongly supports all OSD and Service pay, entitlement, quality of life programs, and initiatives directed at attracting and retaining the high caliber personnel which our mission demands and our country deserves.

Your support of our service members and their families living in unfamiliar environments throughout Southwest Asia is extremely important. Programs such as the Armed Forces Radio and Television Network and the Television Video Tape programs afford a valuable link to western news and culture. Because of Congressional support, funded environmental and morale leaves are now available for service members and their families who are assigned for two years or more to countries with security assistance organizations. These programs are essential to morale and mission accomplishment.

READINESS

The active combat units of all services have no significant readiness problems which preclude them from accomplishing their assigned mission. Our readiness concerns continue to be with Army non-divisional support units in the Reserve Component. Because of your past support, substantial progress has been made in Army personnel, training and equipping programs which have improved force readiness. Your assistance in resourcing at the level requested by the Army is essential to ensure that recent gains are maintained and improvements are realized.

LIFT

USCENTCOM relies heavily on strategic lift to meet its commitments in Southwest Asia. At this time, sufficient strategic sealift exists to support our existing regional plans. It is important to note, however, that America's declining national sealift capability could jeopardize our future ability to deploy, employ and sustain any sizable reinforcements in response to a regional contingency. If not reversed, this continuing erosion of sealift capability will reduce USCENTCOM's overall deployment flexibility. Continued support for the national sealift policy is needed to alleviate the systemic problems that are contributing to the overall decline of the Merchant Marine fleet.

Existing strategic airlift supports our current regional contingency plans. However, we must prudently manage the modernization of our airlift fleet and ensure that C-17 production continues on track to replace the aging C-141 fleet. For this reason, meeting our future airlift requirements hinges on timely production of the C-17.

MILCON

Congressional support for our military construction (MILCON) program is essential. In light of current fiscal realities, we fully understand Congressional desire to obtain firm access agreements prior to programming construction funds. As in the past, however, we ask that you recognize the uniqueness of USCENTCOM's AOR and provide us the flexibility necessary to take advantage of opportunities affecting our national interests. We will program military construction based on essential operational needs while making maximum use of existing facilities throughout the region. Host-nation access agreements may not always be in place at the time of MILCON submittal, but only those projects which we are confident can be executed will be recommended to you.

PRE-POSITIONING

The ability of USCENTCOM to respond rapidly to crises in our AOR is dependent upon theater pre-positioned war reserve material (WRM). Pre-positioning reduces our dependence on strategic lift, enhances our ability to employ forces rapidly and demonstrates U.S. presence and commitment.

The viability of the pre-positioning program was recently validated during BRIGHT STAR 90. Use of these assets lowered costs by reducing our airlift and sealift requirements and simultaneously enabled the consumption of perishable stocks. During BRIGHT STAR 90, we thoroughly exercised the bare base assets and successfully tested essential reconstitution procedures.

We are now in the process of reevaluating and validating our pre-positioning requirements. Initial studies indicate that some pre-positioning requirements can be reduced, while shortfalls will continue in selected commodities. Last year, we were able to place an additional 3,000 tons of supplies and equipment in our AOR to meet these shortfalls. USCENTCOM continues to emphasize pre-positioning as a critical warfighting requirement.

SUSTAINABILITY

Sustainability provides the supplies and equipment to sustain combat operations until the resources of the nation can be mobilized. From a regional strategy perspective, we do not have any significant sustainability shortfalls. However, unique SWA programs, such as tactical fuel distribution systems and Logistics Over The Shore (LOTS), are particularly important in our area where ports, harbors, pipelines and roadways are relatively austere, undeveloped, lack redundancy and are easily interdicted. For instance, LOTS is a required capability that will provide the flexibility to reduce risks of port denial and waterway mining operations. Improvements in fuel posture will require additions to pre-positioned stocks and support of the Services' Southwest Asia Petroleum Distribution Operational Project (SWAPDOP). Additionally, water support programs that produce, purify, store and distribute, as well as treat contaminated water are vital in an arid environment. Congressional support of each of the Services' sustainability programs is the key to maintaining these essential combat support capabilities.

COMMAND AND CONTROL

Although command, control and communications throughout USCENTCOM's AOR remain extremely austere, long-awaited improvements are being delivered and fielded. The Defense Communications System for USCENTCOM's AOR, consisting of air transportable tactical equipment, is nearing completion. However, only a small portion of this vital system will be in place and operational within the theater due to host-nation access limitations; the remaining equipment must remain U.S.-based or pre-positioned. Until the

Defense Communications System-Central Area is fully fielded, we will require innovative and ingenious communications work-arounds to ensure essential command and control so vital to mission success in our peacetime, regional contingency and wartime strategies.

INTELLIGENCE

The nature of the USCENTCOM AOR presents a difficult challenge. The great distance to the AOR and the shortage of in-theater infrastructure strongly influence the type of intelligence capabilities we seek. We are improving intelligence support potential through increased management effectiveness and new systems. We believe that we can provide timely and reliable intelligence for application across our entire spectrum of responsibilities.

In FY 1990 we will complete installation of a new imagery receipt and processing system which will provide imagery intelligence results within hours of an event. A high quality secondary imagery system, combined with the Scalable Transportable Intelligence Communications System (STICS) will move imagery and data to operational levels within minutes.

The Deployable Intelligence Data Handling System (DIDHS), also to be fielded in FY 1990, will greatly increase our ability to manage, store, and manipulate large amounts of intelligence information. This is essential for quick analysis and dissemination of intelligence data to all users.

We have been successful in coordinating technical and attache collection support from the national level. We fully support national-level efforts to automate the collection management process so that unified commands will have a stronger and more direct voice in the intelligence-gathering process. We continue to seek remotely-piloted vehicles (RPVs) to provide on-scene operational flexibility. Long endurance multi-sensor RPVs are an excellent means of providing the additional fine-grain detail required by combat or high-intensity contingency operations.

Finally, we have developed the management procedures and communications connectivity necessary to ensure that our components can fully contribute intelligence relating to our AOR. This federated production structure, electronically internetted and automated, will provide an increased level of capability which will benefit all users of intelligence in our AOR. Continued Congressional support is essential to the successful completion of these programs.

SUMMATION

Strategic oil reserves, the region's strategic location and the region's critical sea lines of communication make USCENTCOM's AOR vital to the security of the United States and its allies. While the threat of direct Soviet military intervention has decreased, Soviet political, economic, and military assistance activity is increasing and constitutes a continuing threat to our interests. Regional conflicts, rooted in interstate dynamics, are numerous. Many of these conflicts have the potential to threaten U.S. interests in the area and could result in the commitment of U.S. military forces. To best ensure the presence, access and the mutual coalitions necessary to counter regional threats and Soviet initiatives, we must continue to build our friends' confidence in our commitment to their security. The U.S. must maintain a prudent military presence in the region, support the legitimate defense needs of our friends through arms sales and adequate levels of security assistance, and pursue a comprehensive program of joint/combined military exercises. USCENTCOM has accomplished much during the past year to demonstrate our steadfast and long-term commitment to the security of Southwest Asia. With sustained Congressional support, we will continue to demonstrate United States commitment into the 1990's.

RECENT HISTORICAL PERSPECTIVE

For centuries, Southwest Asia has been a crossroads for trade, a target of conquest and a locus of conflict. Over the course of the last two decades, the U.S. has been called upon to respond militarily to an increasing number of disruptive events in the region. The growing dependence of the U.S., its allies and friends on Persian Gulf oil has focused our attention on the geostrategic importance of this region. When coupled with unpredictable yet continuing regional instability, there is a high probability that a continuing U.S. military presence will be required in Southwest Asia. To understand current U.S. policy, it is important to examine three key policy decisions that form the basis for our present role: the Nixon Doctrine, the Carter Doctrine and the Reagan Corollary.

NIXON DOCTRINE

The 1969 Nixon Doctrine stated that the U.S. would provide military and economic assistance to any nation whose freedom was threatened, but the nation would be expected to assume primary responsibility for its own defense. Throughout the 1970s, the Nixon Doctrine was supported by a "Twin Pillars" policy, whereby Iran and Saudi Arabia, bolstered by military assistance from the U.S., provided for their own defense. For a time, Iran's military might and Saudi Arabia's economic and political leverage favorably influenced the region, thus maintaining stability in the area and deterring Soviet adventurism.

Following the 1973 Arab-Israeli war, however, the "Twin Pillars" policy received its first significant challenge. The

Soviets were taking the initiative to increase their presence on the region's periphery with the establishment of bases in Somalia and an increased Soviet naval presence in the Indian Ocean. At the same time, the energy crisis created by the Arab oil embargo and the risks of overdependence on imported Arab oil substantially raised the level of concern in America. Japan and Western Europe, with oil as their main energy source, also felt particularly vulnerable. This dependence, coupled with significant oil price hikes in 1974 and 1978, made the region more susceptible to attack by hostile forces from both within and outside the region.

In 1974, the U.S. responded with independent actions directed at buttressing the ability of Iran and Saudi Arabia to maintain regional stability. The effort focused on maintaining a U.S. presence in the Indian Ocean, giving the U.S. the ability to rapidly project combat forces into the Gulf.

In 1977, conflict engulfed the Horn of Africa when Somalia invaded Ethiopia. This crisis emphasized serious flaws in President Nixon's reliance on a "Twin Pillars" approach as the principal U.S. focus for the region. Soviet support of their new-found ally, Ethiopia, provided a setback for the policy aimed at excluding Soviet influence in the region. The Soviets established a Red Sea base at Dahalek Island, thereby flanking the West in the Horn of Africa.

The 1979 fall of the Shah of Iran and the Soviet invasion of Afghanistan represented seminal events in the U.S. - Gulf Arab relationship. The U.S. and its friends in the Gulf found themselves searching for a security posture that would effectively deal with the rapidly evolving instability in the region--an area now vital to U.S. interests.

With Iran essentially removed as a U.S. ally, the only military presence directly supporting American interests was the Middle East Force, MIDEASTFOR. Since 1949, the U.S. Navy had based a command ship and two to four combatants in the Gulf in order to maintain a presence in the region. The events of 1979, following on the heels of the oil embargo and the 1974 and 1978 price increases, dramatically impacted American attitudes. The Gulf quickly rose on the U.S. list of priorities. Given the increasing Soviet presence and regional instability, MIDEASTFOR, established as a show-the-flag presence, was no longer adequate to defend U.S. interests in Southwest Asia.

The need for improving U.S. capability to project forces to the Gulf became more evident with the Yemeni conflict in early 1979. A border clash initiated by South Yemen against North Yemen resulted in Saudi and North Yemeni requests for help and an opportunity for President Carter to provide a more visible display of U.S. commitment to the area. Two AWACS aircraft and a squadron of F-15s were deployed to Saudi Arabia, while a Carrier Battle Group was positioned in the Arabian Sea to reiterate U.S. commitment to support the Saudis and other moderate Arab states.

The Yemeni conflict pinpointed two significant shortfalls concerning America's ability to protect its interests in the region. First, our military rapid deployment capabilities were inadequate and second, but most importantly, the U.S. lacked a clear military and political policy for Southwest Asia.

CARTER DOCTRINE

After the Christmas 1979 Soviet invasion of Afghanistan and its direct threat to Persian Gulf oil flow, President Carter quickly announced a new Strategic Doctrine for the region. This new doctrine stated that any attempt by an outside force to gain control of the Persian Gulf region would be regarded as an assault on U.S. vital interests and would be repelled by any means necessary, including military force.

Putting this commitment into action required increased forces, and the airlift and sealift necessary for effective power projection. The Rapid Deployment Force (RDF), which was established in November 1979, was tasked to implement this doctrine. Although its initial focus was toward Southwest Asia, resource constraints precluded dedicating a sufficient number of forces and lift assets to give it the desired credibility.

REAGAN COROLLARY

In the early 1980's, the Reagan administration decided to take more direct and concerted action. Faced with the immediate threat of the Iran-Iraq War spilling over to other Gulf states, and the continuing presence of Soviet troops in Afghanistan, defense budgets to support the RDF were increased starting in 1981. On January 1, 1983, a new Unified Command was established to focus exclusively on Southwest Asia. This new organization, the U.S. Central Command (USCENTCOM), was structured to become a permanent and more credible deterrent to aggression in the area.

In October 1983, the U.S. announced a broadened policy commitment for the region. President Reagan pledged that the U.S.

would not allow Saudi Arabia to become another Iran. Subsequent comments by administration officials indicated that American troops would, if necessary, protect the free flow of oil through the Strait of Hormuz against any threat.

The foundations for today's U.S. policy in Southwest Asia were laid by the Carter Doctrine and Reagan Corollary. Current U.S. policy is directed at ensuring the free flow of oil; enhancing regional stability; and limiting Soviet control, influence and access. This policy was put into action in the late 1980s when the Iran-Iraq War spread to the waters of the Persian Gulf and impacted non-belligerent shipping transiting the waterway.

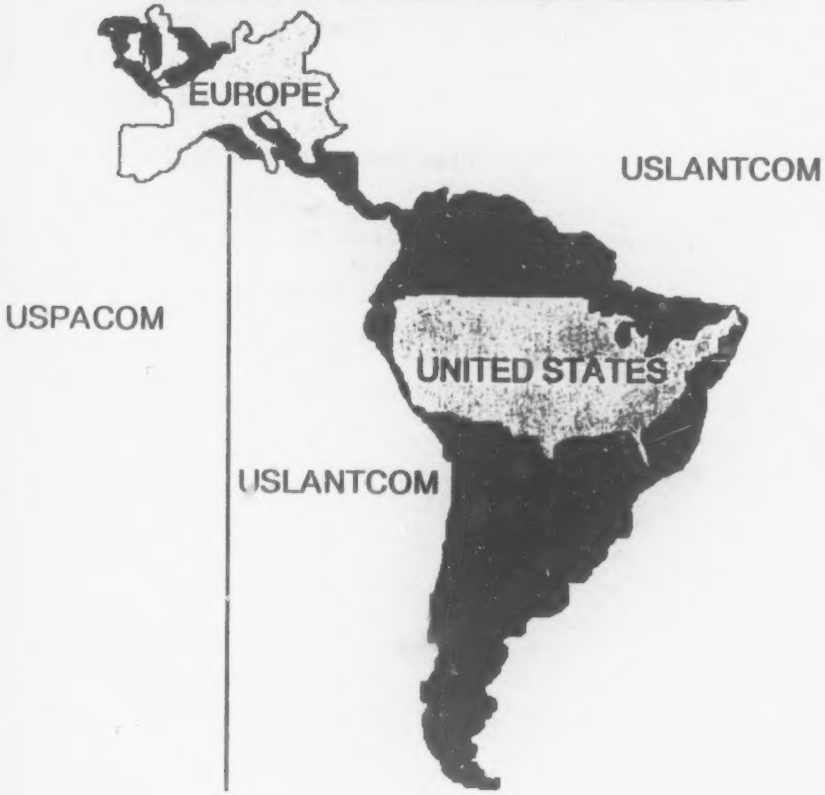
In order to reaffirm U.S. resolve to maintain the flow of oil and ensure freedom of navigation, in May 1987, President Reagan approved Kuwait's request to reflag eleven Kuwaiti ships as U.S. vessels. All U.S. flagged ships transiting the Persian Gulf, Strait of Hormuz, and Gulf of Oman were afforded protection. Other vessels were also granted protected status on a case-by-case basis when determined to be in the interest of the U.S. The escort mission, called Operation Earnest Will, is still underway today and demonstrates the continuing commitment of the U.S. to support its friends in the region.

The instability endemic to this region, the ever-growing world demand for oil, and the increasing reliance on Persian Gulf oil by Free World economies guarantee that Southwest Asia will become a more strategically important area of the world for the foreseeable future. As long as oil remains the primary source of energy for the industrial world, USCENTCOM's AOR will remain vital to the security of the U.S., its allies and friends.

SOUTHERN COMMAND OBJECTIVES

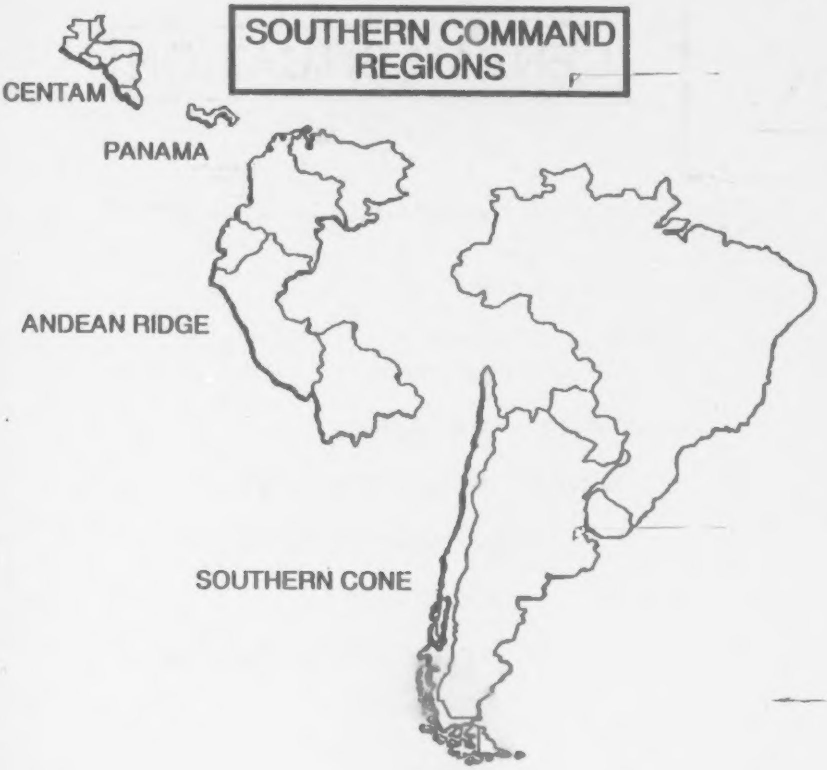
- PROMOTE AND SUPPORT DEMOCRATIZATION
- PROTECT U.S. LIVES AND PROPERTY
- DEFEND THE CANAL
- ASSIST HOST NATIONS TO DEFEAT NARCOTRAFFICKING
- ASSIST FRIENDLY NATIONS TO PROVIDE FOR THEIR OWN SECURITY AGAINST TERRORISM, SUBVERSION AND INSURGENCIES

USSOUTHCOM AREA OF RESPONSIBILITY


EUROPE
USLANTCOM
USPACOM
UNITED STATES
USLANTCOM

THE SOUTHERN THEATER

- MOSAIC OF EXTREMES - URBAN/RURAL; MODERN/ANTIQUITY; POPULATED/UNPOPULATED; WEALTH/POVERTY
- CONSTANT TURBULENCE - ACTIVE/INSIDIOUS INSURGENCIES; FRAGILE ECONOMIES; PERVASIVE DEBT
- DEMOCRATIZATION - DEVELOPING DEMOCRATIC INSTITUTIONS
- COCAINE SOURCE - SHADOW GOVERNMENTS; PARTNERSHIPS WITH INSURGENTS; THREATENS ALL INSTITUTIONS
- PANAMA CANAL - U.S. TREATY; COMMERCIAL IMPORTANCE
- SOVEREIGNTY - AN IMPORTANT CONSIDERATION IN ALL WE DO


SOUTHERN COMMAND REGIONS
CENTAM
PANAMA
ANDEAN RIDGE
SOUTHERN CONE

CENTAM SITUATION

- CONTINUING CUBAN AND NICARAGUAN SUPPORT FOR INSURGENCIES
  - ON - GOING INSURGENCIES
    - • EL SALVADOR - HOT
    - • GUATEMALA - WARM
    - • HONDURAS - LUKE WARM
  - EMERGING DEMOCRACIES
  - NICARAGUAN ELECTION - 25 FEB
  - CENTAM PRESIDENTS' PEACE FORUM
  - DRUG TRANSITING
  - ECONOMIC DIFFICULTIES

NEAR -TERM OBJECTIVES

- CONDUCT 6 MAJOR EXERCISES TO DEMONSTRATE U.S. CAPABILITIES AND RESOLVE
- CONDUCT 151 U.S. EXERCISES (TRAINING, CONSTRUCTION, MEDICAL, LOGISTIC)
  - • • ENHANCE READINESS OF U.S. FORCES
  - • • PROVIDE HUMANITARIAN RELIEF AND ASSIST NATION BUILDING
- PROVIDE FRIENDLY NATIONS WITH INTELLIGENCE SUPPORT
- COMPLETE CARIBBEAN BASIN RADAR NETWORK
- PROMOTE ADDED EMPHASIS ON COUNTERNARCOTIC EFFORTS
- CONTINUE MILITARY ASSISTANCE TO EL SALVADOR ARMED FORCES

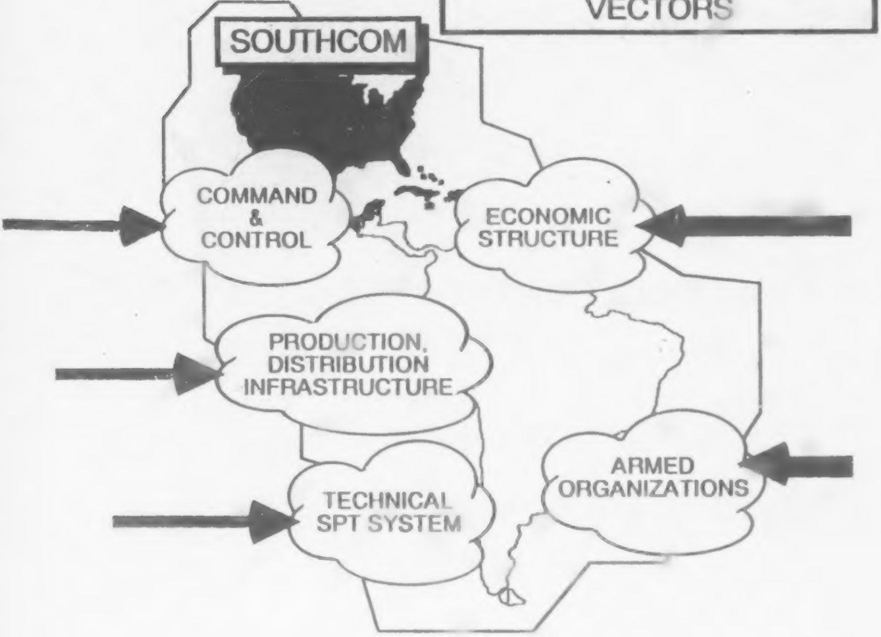
TOOLS

- SECURITY ASSISTANCE - - SUPPORT PRESIDENT'S BUDGET
  - • • INTERNATIONAL MILITARY EDUCATION AND TRAINING
  - • • FOREIGN MILITARY FINANCING PROGRAM
  - • • ECONOMIC SUPPORT FUND
- CONUS - BASED FORCES
  (FY91 DEPLOYMENTS - 8,200 ACTIVE / GUARD / RESERVE)

ANDEAN RIDGE SITUATION

- SIGNIFICANT NARCOTICS INDUSTRY
  - PRODUCTION AND TRAFFICKING
  - NARCOTERRORISM
  - THREAT TO DEMOCRATIC INSTITUTIONS
- ON - GOING INSURGENCIES
- PAUCITY OF COMMUNICATIONS AND INTELLIGENCE INFRASTRUCTURE
- DEBT AND DECLINING STANDARD OF LIVING
- HISTORIC BORDER DISPUTES
- SOVIET INTERESTS

FIVE COUNTERNARCOTICS VECTORS


SOUTHCOM
COMMAND & CONTROL
ECONOMIC STRUCTURE
PRODUCTION, DISTRIBUTION INFRASTRUCTURE
ARMED ORGANIZATIONS
TECHNICAL SPT SYSTEM

USSOUTHCOM PRINCIPLES
FOR COUNTERNARCOTICS EFFORTS

- INTELLIGENCE: THE KEY TO SUCCESS
- MINIMIZE U.S. FORCE PRESENCE
- PROVIDE SUPPORT TO HOST NATIONS
- INTERDICTION FAR FORWARD
- RESPECT SOVEREIGNTY
- PROVIDE EARLY WARNING

NEAR-TERM OBJECTIVES

- PROMOTE COMMON PERCEPTION OF NARCOTICS THREAT
  - ASSIST HOST NATIONS IN DEFEATING NARCOTRAFFICKING AND INSURGENCIES
    - • OPERATIONAL TRAINING AND INTELLIGENCE SUPPORT
    - • IMPROVE COMMUNICATION AND INTELLIGENCE INFRASTRUCTURE
  - PROMOTE AND SUPPORT DEMOCRATIZATION
  - FOSTER ECONOMIC GROWTH AND STABILITY

TOOLS

- SECURITY ASSISTANCE - - SUPPORT COUNTERNARCOTICS EFFORT
- C3I PROGRAMS
- CONUS - BASED FORCES
  (FY91 DEPLOYMENTS: 1,000 ACTIVE / GUARD / RESERVE)
  - • TRAINING ASSISTANCE
  - • NATION BUILDING

SOUTHERN CONE SITUATION

- DEBT AND DECLINING STANDARD OF LIVING
- SPREAD OF NARCOTICS INDUSTRY
- EMERGING DEMOCRACIES
- TREMENDOUS ECONOMIC POTENTIAL
- POTENTIAL NUCLEAR/MISSILE PROLIFERATION

NEAR-TERM OBJECTIVES

- PREVENT THE SPREAD OF NARCOTICS PRODUCTION AND TRAFFICKING
- ENHANCE PROFESSIONALISM OF MILITARY FORCES AND THEIR SUPPORT TO CIVILIAN POLITICAL INSTITUTIONS
- PROTECT STRATEGIC LINES OF COMMUNICATION
- BUILD ALLIANCES

TOOLS

- SECURITY ASSISTANCE
- C3I
- CONUS - BASED FORCE DEPLOYMENTS
  (FY91 DEPLOYMENTS: 690 ACTIVE / GUARD / RESERVE)
    - TRAINING ASSISTANCE FOR COUNTERNARCOTIC EFFORTS

PANAMA SITUATION

- DEVELOPING DEMOCRATIC INSTITUTIONS
- THREATS TO LAW AND ORDER
- LACK OF CREDIBILITY / TRUST IN THE NEW POLICE FORCE
- FRAIL ECONOMY
- EMERGING INTERNATIONAL SUPPORT FOR THE NEW GOVERNMENT

NEAR -TERM OBJECTIVES

- PROTECT U.S. LIVES AND PROPERTY
- DEFEND THE CANAL
- PROMOTE LAW AND ORDER
- SUPPORT EMBASSY EFFORTS
  - RESTORE BASIC SERVICES
  - DEVELOP GOVERNMENT INSTITUTIONS
  - REVITALIZE THE ECONOMY
- SUPPORT NATION BUILDING

TOOLS

- U.S. PRESENCE
  - SECURITY AND STABILITY
  - HUMANITARIAN AND CIVIC ASSISTANCE
- TRAINING ASSISTANCE

USSOUTHCOM
FY 91 BUDGET ($M)

(LESS SECURITY ASSISTANCE)

	CENTAM	ANDEAN RIDGE	SOUTHERN CONE	TOTAL
C3	17.0	27.6	9.0	53.6
INTEL	50.5	60.5	4.4	115.4
AIR SURVEIL	41.7	29.3	-	71.0
AIRLIFT	58.9	50.0	10.0	114.9
EXERCISES	12.1	29.3	16.6	58.0
MILCON	22.8	1.7	-	24.5
RIVERINE/MINE	1.3	2.7	1.2	5.2
OTHER	4.6	5.0	2.8	12.4
TOTAL	204.9	206.1	44.0	455.0

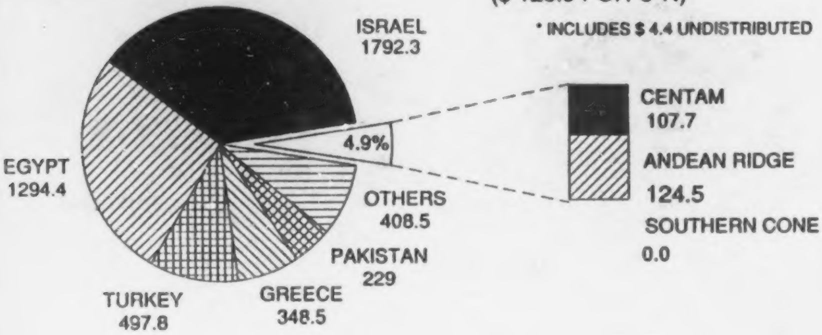
CORE PROGRAMS	185.7	64.4	13.7	263.8
COUNTERNARC	19.2	141.7	30.3	191.2
TOTAL	204.9	206.1	44.0	455.0

FOREIGN MILITARY FINANCING PROGRAM
FY 90 ($M) - ALLOCATED

WORLDWIDE TOTAL: $ 4807.6
EARMARKED: 90%

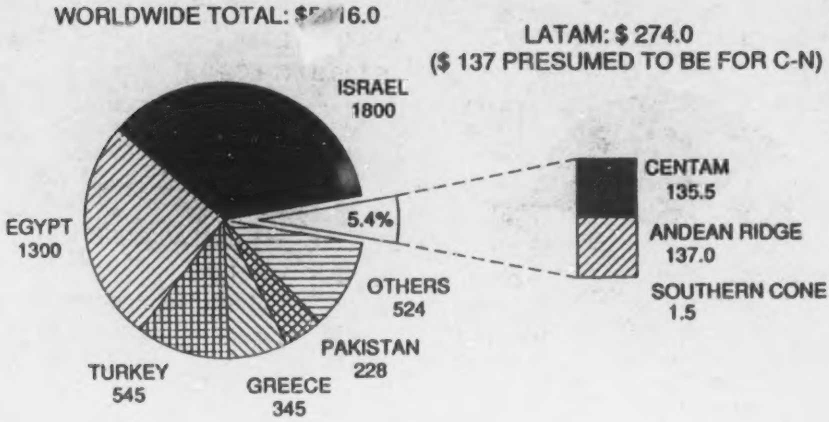
LATAM: $ 236.6
($ 128.9 FOR C-N) *

* INCLUDES $ 4.4 UNDISTRIBUTED



EARMARKING MUST BE REVISITED
FY 90 ALLOCATIONS RECEIVED IN FEBRUARY

FOREIGN MILITARY FINANCING PROGRAM
FY 91 ($M) - PRESIDENT'S BUDGET



CHALLENGES

- STEM THE FLOW OF ILLEGAL DRUGS
- ASSIST FRIENDLY NATIONS TO DEFEAT INSURGENCIES
- DEVELOP ROBUST C3I ARCHITECTURE
- PROVIDE FLEXIBILITY IN SECURITY ASSISTANCE
- INSTITUTIONALIZE DEMOCRACY IN PANAMA
  - ECONOMIC AID
  - PROFESSIONAL PUBLIC SECURITY FORCES

SUMMARY OF NON - U.S. NATO NAVAL COMBATANTS
(EXCLUDES AMPHIBIOUS SHIPS)

	SURFACE			SUBMARINE		
	1980	1987	1989	1980	1987	1989
BELGIUM	4	4	4	-	-	-
CANADA	23	23	20	3	3	3
DENMARK	9	10	10	6	4	7
FRANCE	51	47	44	29	24	24
GERMANY	17	16	15	24	24	24
GREECE	16	20	18	11	10	10
ITALY	23	32	34	10	10	10
NETHERLANDS	18	16	16	6	5	5
NORWAY	5	5	5	15	11	11
PORTUGAL	17	17	14	3	3	3
SPAIN	0	27	24	0	8	8
TURKEY	14	20	21	15	16	15
UNITED KINGDOM	71	52	51	34	33	29

EUROPEAN ALLIES OUT OF AREA DEPLOYMENT STATUS

CARIBBEAN

United Kingdom	- Frigate on patrol 6 out of 12 months - 2-3 small patrol boats/customs boats - 1 small survey vessel
France	- Frigate on patrol 6 out of 12 months - 2-3 small patrol boats - 1 small landing craft
Netherlands	- Frigate on patrol 3 out of 12 months - 1-2 small patrol boats

WEST AFRICA

United Kingdom	- Frigate/Destroyer will conduct West Africa (WAFR) cruise in transit to Falklands patrol every other year and sometimes annually
France	- Frigate will conduct WAFR cruise on an annual basis

SOUTH ATLANTIC

United Kingdom	- Frigate deployed on a continuous rotating basis - 1 repair ship - 1 supply auxiliary as required

INDIAN OCEAN/PERSIAN GULF

United Kingdom	- 3 Frigates/Destroyers deployed on a continuous rotating basis - 1 fleet oiler
France	- 4 Frigates deployed on a continuous rotating basis - 1 Replenishment Oiler (Flag ship) - 1 Landing Ship, Medium (LSM) - 2-3 small patrol boats - 1 repair ship as required

PACIFIC

United Kingdom	- 1 Antarctic patrol ship - 3 small patrol boats in Hong Kong - Aperiodic Frigate patrols
France	- 3-4 Frigates permanently stationed in French Polynesia - 1 repair ship - 2-3 small patrol boats

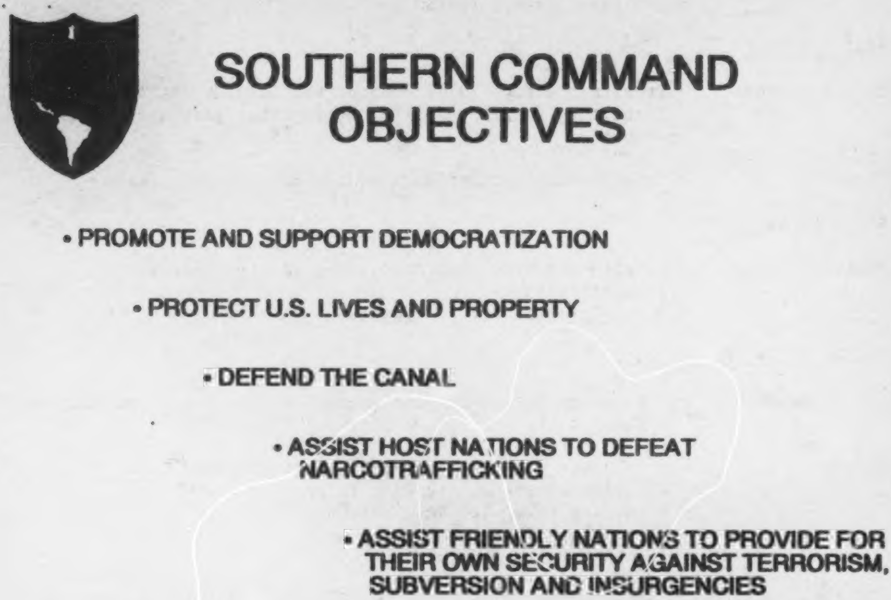
CURRENT WORLD CRUISE ACTIVITY

United Kingdon	- Invincible battle group conducting West Indies deployment - 3 Frigates conducting world training cruise
France	- Jeanne D' ARC conducting world training cruise

Chairman **Nunn** [presiding]. Thank you, General. General Thurman.

STATEMENT OF GEN. MAXWELL R. THURMAN, USA, COMMANDER IN CHIEF, U.S. SOUTHERN COMMAND

General **Thurman**. Thank you, Mr. Chairman. In front of you there is a series of charts that have the logo of the Command on the front. I will be referring to those charts, sir, as we walk through and respond to your inquiry about strategy and how we intend to achieve our strategy goals in the Southern Command.

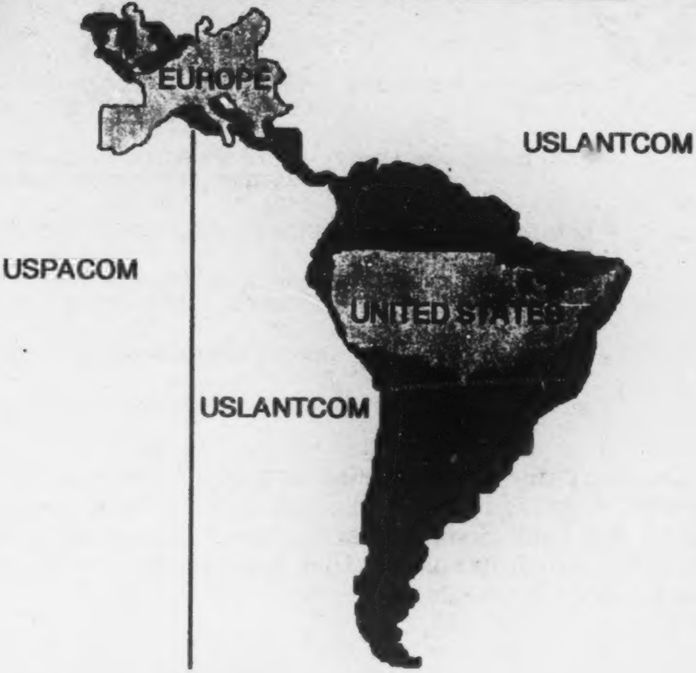


SOUTHERN COMMAND OBJECTIVES

- PROMOTE AND SUPPORT DEMOCRATIZATION
- PROTECT U.S. LIVES AND PROPERTY
- DEFEND THE CANAL
- ASSIST HOST NATIONS TO DEFEAT NARCOTRAFFICKING
- ASSIST FRIENDLY NATIONS TO PROVIDE FOR THEIR OWN SECURITY AGAINST TERRORISM, SUBVERSION AND INSURGENCIES

On chart number 2 in front of you, the Southern Command objectives and strategies are simply stated: promote and support democratization; protect U.S. lives and property; defend the Panama Canal; assist host nations to defeat narcotrafficking; and assist friendly nations to provide for their own security against terrorism, subversion and insurgency.

USSOUTHCOM AREA OF RESPONSIBILITY

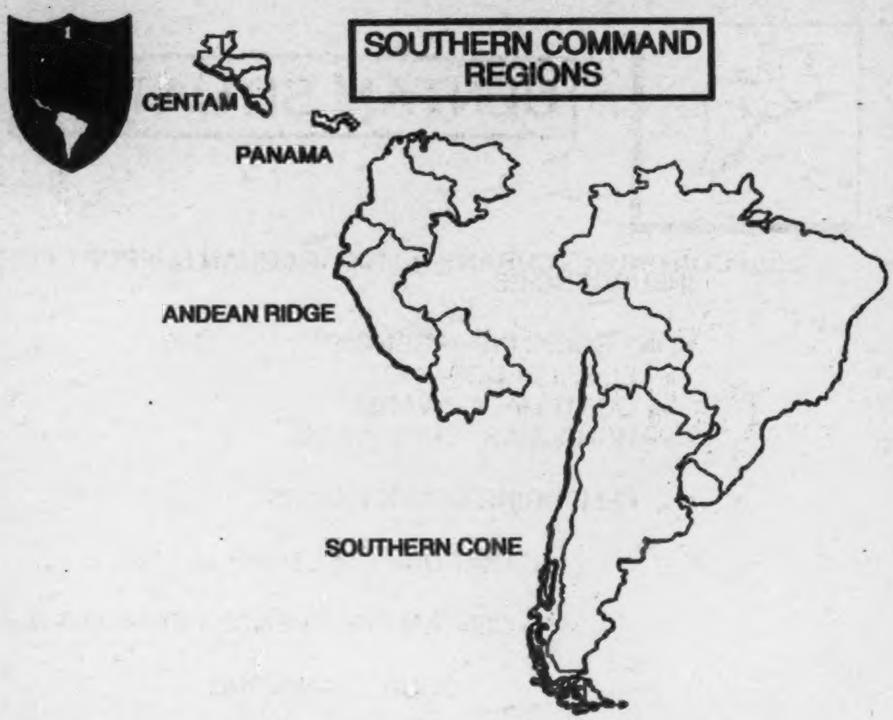

EUROPE
USLANTCOM
USPACOM
UNITED STATES
USLANTCOM

On the third page of my handout I show you the area of operations just to remind you that the water on both sides of South America is owned and operated by CINCLANT and to give you some notion of the size of the area of operation in which we operate.

THE SOUTHERN THEATER

- MOSAIC OF EXTREMES - URBAN/RURAL; MODERN/ANTIQUITY; POPULATED/UNPOPULATED; WEALTH/POVERTY
- CONSTANT TURBULENCE - ACTIVE/INSIDIOUS INSURGENCIES; FRAGILE ECONOMIES; PERVASIVE DEBT
- DEMOCRATIZATION - DEVELOPING DEMOCRATIC INSTITUTIONS
- COCAINE SOURCE - SHADOW GOVERNMENTS; PARTNERSHIPS WITH INSURGENTS; THREATENS ALL INSTITUTIONS
- PANAMA CANAL - U.S. TREATY; COMMERCIAL IMPORTANCE
- SOVEREIGNTY - AN IMPORTANT CONSIDERATION IN ALL WE DO

On chart number 4, I tried to portray for you the mosaic of extremes, turbulence and democratization efforts, the cocaine sources that come from South America, the Panama Canal and sovereignty, all of which are issues that must be dealt with as we work on our strategy down south.


SOUTHERN COMMAND REGIONS
CENTAM
PANAMA
ANDEAN RIDGE
SOUTHERN CONE

On chart 5, I want to talk to each of the major subregions in my area of operation, Central America, Panama, the Andean Ridge as it pertains to the narcotics strategy, and the Southern Cone.

CENTAM SITUATION

- CONTINUING CUBAN AND NICARAGUAN SUPPORT FOR INSURGENCIES
- ON - GOING INSURGENCIES
  - EL SALVADOR - HOT
  - GUATEMALA - WARM
  - HONDURAS - LUKE WARM
- EMERGING DEMOCRACIES
- NICARAGUAN ELECTION - 25 FEB
- CENTAM PRESIDENTS' PEACE FORUM
- DRUG TRANSITING
- ECONOMIC DIFFICULTIES

The first, on chart number 6, is the Central America situation. There, we find continuing Cuban and Nicaraguan support for insurgency; ongoing insurgencies in El Salvador, clearly a very hot insurgency there; Guatemala is incurring insurgency; Honduras has some minor problems with insurgency; and everywhere there are emerging democracies.

Looking ahead to the aftermath of the Nicaraguan election on 25 February, the Central American Presidents Peace Forum has been at work for the last several years, and we expect it to continue to be a force for peace in the area.

Drug transiting is occurring in the area even as we speak, and all of the countries there have economic and debt difficulties.

NEAR -TERM OBJECTIVES

- CONDUCT 6 MAJOR EXERCISES TO DEMONSTRATE U.S. CAPABILITIES AND RESOLVE
- CONDUCT 151 U.S. EXERCISES (TRAINING, CONSTRUCTION, MEDICAL, LOGISTIC)
  - • ENHANCE READINESS OF U.S. FORCES
  - • PROVIDE HUMANITARIAN RELIEF AND ASSIST NATION BUILDING
- PROVIDE FRIENDLY NATIONS WITH INTELLIGENCE SUPPORT
- COMPLETE CARIBBEAN BASIN RADAR NETWORK
- PROMOTE ADDED EMPHASIS ON COUNTERNARCOTIC EFFORTS
- CONTINUE MILITARY ASSISTANCE TO EL SALVADOR ARMED FORCES

TOOLS

- SECURITY ASSISTANCE - - SUPPORT PRESIDENT'S BUDGET
  - • INTERNATIONAL MILITARY EDUCATION AND TRAINING
  - • FOREIGN MILITARY FINANCING PROGRAM
  - • ECONOMIC SUPPORT FUND
- CONUS - BASED FORCES
  (FY91 DEPLOYMENTS - 8,200 ACTIVE / GUARD / RESERVE)

If you look on chart number 7, my near-term objectives for work in that region include continuing the conduct of major exercises to demonstrate U.S. capabilities and resolve. I will conduct some 151 training, construction, medical and logistical exercises in 1991 to enhance both readiness of U.S. forces to deploy in those areas and to provide humanitarian relief and assistance to nation building.

We will also continue to provide friendly nations with intelligence support and will complete the Caribbean Basin Radar Network in that area; promote added emphasis on counternarcotics efforts where they need improvement; and will continue military assistance principally to El Salvadoran Armed Forces and some to Honduras.

Now the tools with which I have to work in that area are essentially security assistance tools (International Military Education and Training, the Foreign Military Financing Program and Economic Support Funds) and CONUS-based forces. I, like General Schwarzkopf, depend upon CONUS-based forces in the main, and in 1991 I project some 8,200 active personnel, National Guard and reservists will be operating in the Central American region.

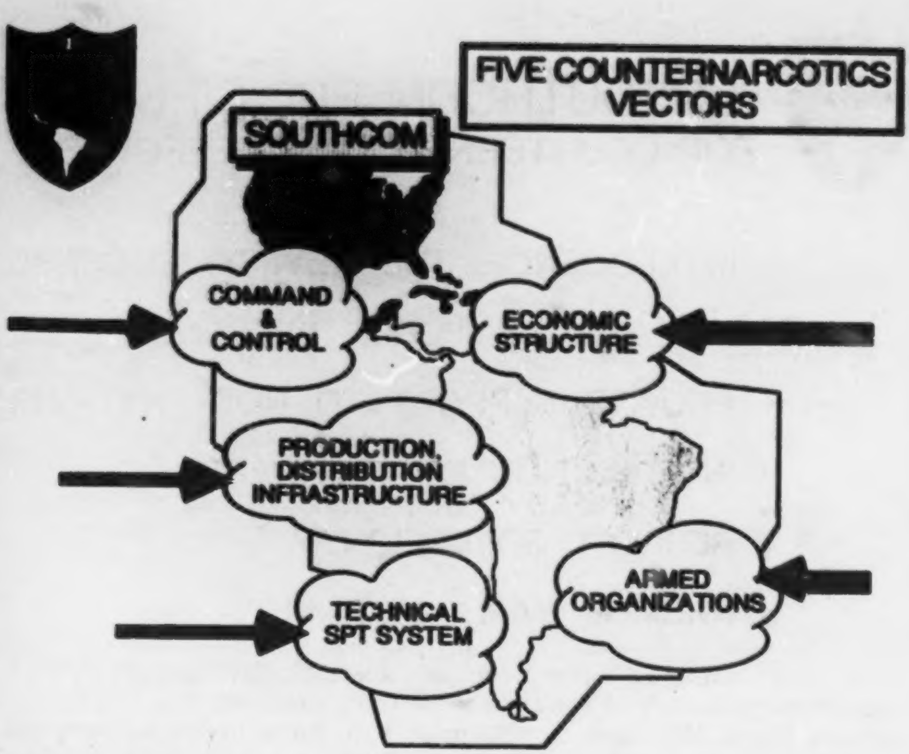
ANDEAN RIDGE SITUATION

- SIGNIFICANT NARCOTICS INDUSTRY
  - PRODUCTION AND TRAFFICKING
  - NARCOTERRORISM
  - THREAT TO DEMOCRATIC INSTITUTIONS
- ON - GOING INSURGENCIES
- PAUCITY OF COMMUNICATIONS AND INTELLIGENCE INFRASTRUCTURE
- DEBT AND DECLINING STANDARD OF LIVING
- HISTORIC BORDER DISPUTES
- SOVIET INTERESTS

Moving now to the Andean ridge situation on chart 8 with respect to counternarcotics, you all know that there is significant narcotics industry in that area (production and trafficking, and narcoterrorism) and also insurgency operations. All of that is a threat to democratic institutions. You can get hooked on drugs in two ways: one is on the drug itself, and the other is on the money that accompanies the drug business.

There are ongoing insurgencies, particularly in Peru and in Colombia. There is a paucity of communications and intelligence infrastructure in those areas, and we need to work on that and make improvements.

Debt and the declining standard of living are pernicious in the area. There are some historic border disputes, and, of course, there is Soviet interest in the region.


FIVE COUNTERNARCOTICS VECTORS
SOUTHCOM
COMMAND & CONTROL
ECONOMIC STRUCTURE
PRODUCTION, DISTRIBUTION INFRASTRUCTURE
ARMED ORGANIZATIONS
TECHNICAL SPT SYSTEM

On chart 9 are the five counternarcotics vectors under which I am operating my strategy. One is to attack the economic structure of the narcotraffickers; second, their command and control; third, their production and distribution infrastructure; fourth, the armed organizations that support narcotrafficking and, fifth, the technical support systems which undergird narcotrafficking which include, for example, the control of precursor chemicals in that area.

USSOUTHCOM PRINCIPLES
FOR COUNTERNARCOTICS EFFORTS

- INTELLIGENCE: THE KEY TO SUCCESS
- MINIMIZE U.S. FORCE PRESENCE
- PROVIDE SUPPORT TO HOST NATIONS
- INTERDICTION FAR FORWARD
- RESPECT SOVEREIGNTY
- PROVIDE EARLY WARNING

On chart number 10 the principles upon which I operate in that counternarcotics effort are first of all that intelligence is the key to success there. We have to minimize U.S. force presence, forward deployed, and provide most of our support to the host nations which must accomplish the work on their own.

Interdiction is most effective far forward in Latin America before the cocaine moves into the transportation systems that come out of the region both by air and by ship. And in every case, we have to respect the sovereignty of the nations with which we're dealing and provide early warning to the other Commanders in Chief; for example I pass information directly to their operating forces such as JTF4 at Key West, JTF5 on the West Coast, and JTF6 and NORAD in the United States.

NEAR-TERM OBJECTIVES

- PROMOTE COMMON PERCEPTION OF NARCOTICS THREAT
- ASSIST HOST NATIONS IN DEFEATING NARCOTRAFFICKING AND INSURGENCIES
  - OPERATIONAL TRAINING AND INTELLIGENCE SUPPORT
  - IMPROVE COMMUNICATION AND INTELLIGENCE INFRASTRUCTURE
- PROMOTE AND SUPPORT DEMOCRATIZATION
- FOSTER ECONOMIC GROWTH AND STABILITY

TOOLS

- SECURITY ASSISTANCE - - SUPPORT COUNTERNARCOTICS EFFORT
- C3I PROGRAMS
- CONUS - BASED FORCES
  (FY91 DEPLOYMENTS: 1,000 ACTIVE / GUARD / RESERVE)
  - TRAINING ASSISTANCE
  - NATION BUILDING

My near-term objectives, then, are on chart number 11 for the Andean Ridge. One is to promote the common perception of the narcotics threat, and I think it is well understood, and to assist—and I underline the word—assist host nations in defeating narcotrafficking and insurgencies. I do that mainly through operational training and intelligence support and by improving the communications and passage of intelligence through the infrastructure that we can help raise.

In every case we promote and support democratization and foster economic growth and stability. The tools for this mission are security assistance, the C^{3}I programs that are contained in the President's budget and, again, the CONUS based forces. I would anticipate some 1,000 active personnel, guardsmen and reservists will participate in the training assistance and nation building business.

SOUTHERN CONE SITUATION

- DEBT AND DECLINING STANDARD OF LIVING
- SPREAD OF NARCOTICS INDUSTRY
- EMERGING DEMOCRACIES
- TREMENDOUS ECONOMIC POTENTIAL
- POTENTIAL NUCLEAR/MISSILE PROLIFERATION

Then to chart 12 and the Southern Cone situation. Debt and a declining standard of living are widespread there. The spread of narcotics industry—as we are successful in the big three (Colombia, Bolivia and Peru), we will see certainly a movement of the narcotrafficking industry into the next six countries that lie contiguous to those three. We need to make provision for that as we move into 1991 and allocate some of our counternarcotics funding to the countries of Venezuela, Ecuador, Brazil, Chile, Argentina and Paraguay, because the narcotics industry will spread.

As I said, there are emerging democracies in some of those countries. There is tremendous economic potential down there. We also have to be sensitive to any potential nuclear and missile proliferation which may occur.

NEAR-TERM OBJECTIVES

- PREVENT THE SPREAD OF NARCOTICS PRODUCTION AND TRAFFICKING
- ENHANCE PROFESSIONALISM OF MILITARY FORCES AND THEIR SUPPORT TO CIVILIAN POLITICAL INSTITUTIONS
- PROTECT STRATEGIC LINES OF COMMUNICATION
- BUILD ALLIANCES

TOOLS

- SECURITY ASSISTANCE
- C3I
- CONUS - BASED FORCE DEPLOYMENTS
  (FY91 DEPLOYMENTS: 690 ACTIVE / GUARD / RESERVE)
    - • TRAINING ASSISTANCE FOR COUNTERNARCOTIC EFFORTS

So, what are the near-term objectives (on chart 13) of our strategy for the Southern Cone? They are to prevent the spread of the narcotics production and trafficking, enhance the professionalism of military forces and their support to civilian political institutions, protect strategic lines of communications and build alliance structures.

As in the Andean Ridge, the tools for accomplishing these objectives are security assistance, C^3I, and CONUS based deployments, both active, Guard and Reserve, about 700 personnel next year.

PANAMA SITUATION

- DEVELOPING DEMOCRATIC INSTITUTIONS
- THREATS TO LAW AND ORDER
- LACK OF CREDIBILITY / TRUST IN THE NEW POLICE FORCE
- FRAIL ECONOMY
- EMERGING INTERNATIONAL SUPPORT FOR THE NEW GOVERNMENT

Turning to the Panamanian situation on chart 14, I will be happy to answer your questions on JUST CAUSE or go through that operation in a little more detail, but for this part of the briefing the challenge is to develop democratic institutions there, make sure that there are no, or at least reduced, threats to law and order.

There is some lack of credibility and trust in the new police force, and we are working hard along with the Department of Justice and Department of State to build a new police force in Panama.

Panama has a very frail economy. We need to get people back to work. The economic troubles are simply the result of 2½ years of economic sanctions and the stealing of money by the Noriega regime.

The emerging international support for the new government is applauded. Also, we appreciate the votes on the legislation that passed the Congress last night because that will help us to work on the police forces and get people back to work.

NEAR -TERM OBJECTIVES

- PROTECT U.S. LIVES AND PROPERTY
- DEFEND THE CANAL
- PROMOTE LAW AND ORDER
- SUPPORT EMBASSY EFFORTS
  - RESTORE BASIC SERVICES
  - DEVELOP GOVERNMENT INSTITUTIONS
  - REVITALIZE THE ECONOMY
- SUPPORT NATION BUILDING

TOOLS

- U.S. PRESENCE
  - SECURITY AND STABILITY
  - HUMANITARIAN AND CIVIC ASSISTANCE
- TRAINING ASSISTANCE

On chart 15, my near-term objectives for Panama are to continue to protect U.S. lives and property there, defend the Canal, promote law and order, and support the Embassy efforts to restore basic services, develop governmental institutions, and revitalize the economy through support to nation building.

The tools there are U.S. presence because, as you know, pre-JUST CAUSE I had about 13,600 soldiers, sailors, airmen, marines and Coast Guardsmen there, and I will be back at those numbers this month. The tools also include humanitarian and civic assistance and training assistance to the police force.

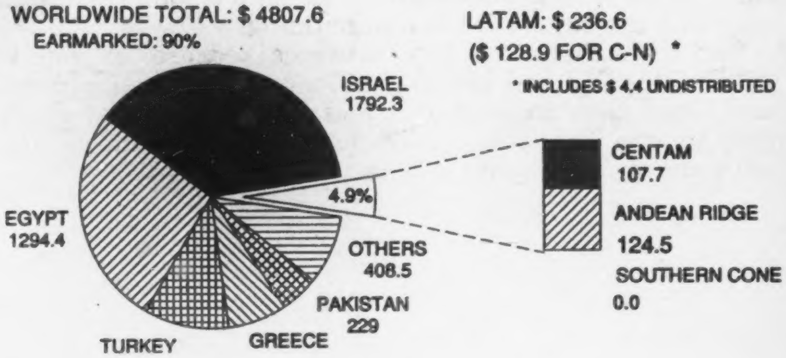
USSOUTHCOM
FY 91 BUDGET ($M)

(LESS SECURITY ASSISTANCE)

	CENTAM	ANDEAN RIDGE	SOUTHERN CONE	TOTAL
C3	17.0	27.6	9.0	53.6
INTEL	50.5	60.5	4.4	115.4
AIR SURVEIL	41.7	29.3	-	71.0
AIRLIFT	58.9	50.0	10.0	114.9
EXERCISES	12.1	29.3	16.6	58.0
MILCON	22.8	1.7	-	24.5
RIVERINE/MINE	1.3	2.7	1.2	5.2
OTHER	4.6	5.0	2.8	12.4
TOTAL	204.9	206.1	44.0	455.0
CORE PROGRAMS	185.7	64.4	13.7	263.8
COUNTERNARC	19.2	141.7	30.3	191.2
TOTAL	204.9	206.1	44.0	455.0

On chart 16 I broke out the budget profile for 1991 and SOUTHCOM and, you will notice that there is a considerable amount of counternarcotics money in the budget, about $191 million in 1991.

FOREIGN MILITARY FINANCING PROGRAM
FY 90 ($M) - ALLOCATED

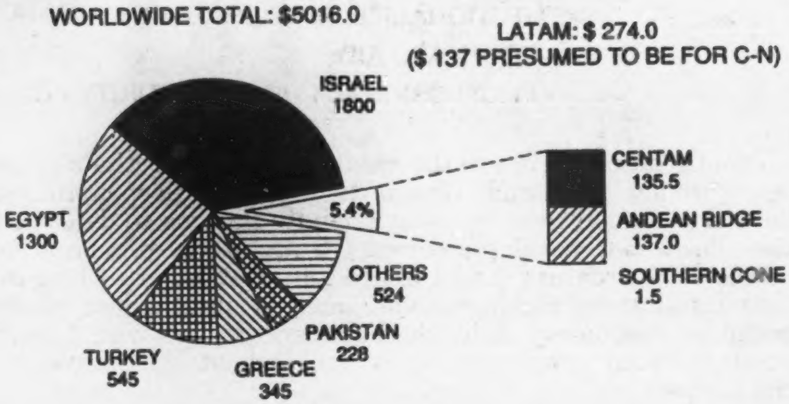


The major assistance is depicted on chart 17, which is the Foreign Military Financing Program. Here you see the 1990 funds allocated for Latin America, about $236 million of which $129 million is for counternarcotics.

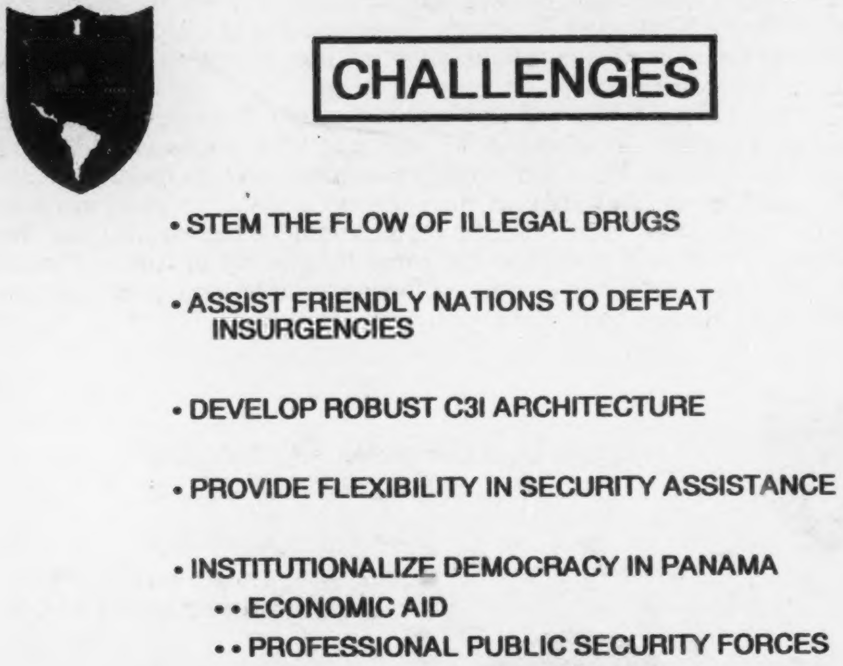
Central America has the lion's share of the Foreign Military Financing Program at about $107 million. The Andean Ridge has about $125 million but all of that is counternarcotics money.

We need more flexibility in the security assistance program than we currently have, and I would recommend to the committee that this year there be a provision for some fungibility of funds. I would side with Senator Dole's view of fewer restrictions and less earmarking of monies from the top down.

FOREIGN MILITARY FINANCING PROGRAM
FY 91 ($M) - PRESIDENT'S BUDGET



On chart 18, is the President's budget for 1991 for the Foreign Military Financing Program. Latin America has about $274 million. Central America, $135 million. The Andean Ridge funding, principally for Bolivia, Colombia and Peru, is mostly counternarcotics money. There is a paucity of foreign military financing for 1991 in Latin America itself, and we need more assistance there.



CHALLENGES

- STEM THE FLOW OF ILLEGAL DRUGS
- ASSIST FRIENDLY NATIONS TO DEFEAT INSURGENCIES
- DEVELOP ROBUST C3I ARCHITECTURE
- PROVIDE FLEXIBILITY IN SECURITY ASSISTANCE
- INSTITUTIONALIZE DEMOCRACY IN PANAMA
  - ECONOMIC AID
  - PROFESSIONAL PUBLIC SECURITY FORCES

Finally on chart 19 are the challenges I see for the next couple of years in my command. One is to stem the flow of illegal drugs. Second is to continue to assist friendly nations to defeat insurgencies. Third is to develop a robust C^3I architecture, money for this is in the 1991 program, and I might add that we need long-dwell signals intelligence platforms and imagery intelligence platforms in order to adequately fight the counternarcotics war. I recommend those for your consideration as you look at the hardware side of the budget.

We also need to provide some flexibility in the security assistance program, $50 to $100 million in flexible funds as you gave the Chairman of the Joint Chiefs of Staff last year for this year's budget.

Finally, we must continue to support the Ambassador in Panama to institutionalize democracy there through economic aid and building professionalism in the public security forces which are now at work there.

That is the strategy for the region, sir. Thank you very much for letting me come before the committee.

Chairman NUNN. Thank you, General Thurman.

We will rotate on our normal basis.

Let me start by asking General Schwarzkopf and General Thurman about the proliferation of tactical ballistic missiles along with nuclear weapons and chemical and biological capabilities in Third World countries. I think both of you mentioned that in your statements.

I would just ask each of you your assessment of the proliferation of missiles, tactical missiles, the possibility of the spread of nuclear weapons and also chemical weapons in your region. What is the status of that now? What are your expectations for the next several years?

General **Schwarzkopf**. Why don't I start, Mr. Chairman. I would tell you that we are very concerned about weapons proliferation. We continue to see a buildup of tactical missiles in the area. I would tell you that advanced missile technologies are available to the area through many, many different sources, and we will continue to see a rise.

Right now, the majority of the missiles that we have in the area, of course, are tactical in nature—that is, 300 kilometers for the SCUD or 70 for the FROG missile, or something like that. Of course, there has been some R&D going on in some of the countries over there, which we have all read about, that would lead them to have a ballistic missile capability, and we are watching that very carefully.

Right now, there is only one nation that we are sure has a ballistic missile capability, and based upon a circular error probable, is not really one we are concerned about. With a mass destruction weapon added to it, however, it becomes a very dangerous threat.

We monitor this very closely. I would tell you that as a result of the Iran-Iraq war, an awful lot of the nations in this part of the world believe that Iraq won because they used chemical weapons, and they look at chemical weapons as being the poor man's nuclear weapon.

I would like to say that I think the development will stop, but I do not think it is going to stop. I think it is going to continue in that part of the world and just get larger.

Chairman **Nunn**. General Thurman, what kind of activities do you have?

General **Thurman**. None deployed at the moment. We are just keeping watch on the area. The technologies are available, and countries may be working on it but none are deployed in the area.

Chairman **Nunn**. How about chemical weapons?

General **Thurman**. I have seen no chemical weapons in the area of operations, and we have no intelligence that they are deployed there. It is just one of those things to watch out for.

I would say that, harking back to General Schwarzkopf's point of view, it sort of says that anytime American service members have to go into warfare they must take their chemical protective gear with them; otherwise, they are in harm's way.

Chairman **Nunn**. General Thurman, could you give us a general assessment of how our equipment worked in Panama, both good and bad? If you could give us the pluses and the minuses, what the implications are.

General **Thurman**. The pluses and minuses are mostly pluses to my way of thinking.

As you know, we tried to optimize our operation for night operations. We went in at 0045 in the morning because we are well equipped for night operations with the night vision devices. Apache helicopters had been infiltrated into the country. We used the AC-130 aircraft. The precision laser guided system associated with the Hellfire and the Apache worked great.

Toward the point that you made in your opening comments about minimization of casualties, the order that I gave to our operational commander was to minimize casualties, minimize destruction of property because we would have to stand the same people up again the next day as the new government and the new public security force.

The AC-130 gunship proved invaluable. I would suggest to you that our weapons performed well. The Sheridan vehicle, which has been in the inventory for a long time, worked great. The APCs worked great. The equipment worked fine. I have no downers.

Now, Jim may have some downers, but I know of none.

General LINDSAY. In general terms, I would say everything worked quite well. There are some things that need finetuning, and rather than take up a lot of time I can perhaps talk about some of the minor things that I think we can probably work on.

I think, for instance, the AC-130 was extremely successful. The 105 ammunition for that weapons system is old. There is not a lot of it around. We need to do some work in that area. We need to produce some better types of munitions that can break through concrete, as an example.

Not a major one but one that to the rangers is very significant is they need a small agile vehicle to get their airfield seizure package around. They are using an old M-151 jeep. They need a better vehicle. We can fix that rather cheaply. There are a number of things like that, but as far as major systems, there were no major problems.

Chairman NUNN. Let me get the comments of either one of you on the somewhat paradoxical situation of having to use Sheridans to the extent we have.

When were those built?

General THURMAN. I think it was before my time in the Army, sir. No, it really was not. I think that was introduced in the 1960s.

They worked fine in this particular operation. We intruded them at night and unloaded them at night and kept them covered during the prebuildup phase, and it worked fine.

Chairman NUNN. Why did you use those rather than more modern equipment?

General THURMAN. We used those because we wanted a direct fire weapon that was lightweight. There are only two bridges across the canal, and the Sheridans fit within the tactical scheme: lightweight, heavy punch, big weapon.

Chairman NUNN. Does that tell you that we have done nothing in the last 25 years in the light and lethal area?

General THURMAN. Not at all. We have done a lot. In fact, the AT-4, for example, was a hand-held weapon that came along in the light and lethal area, but with regard to this particular one it may be time to look at a replacement for the Sheridan.

General LINDSAY. As the former Commander of the 82nd Airborne, let me pick up on that.

Yes, I would submit that the Sheridan is not as bad as some of its critics say it is. We have done a lot of product improvements in the chassis. The chassis is not bad. We needed a replacement for the Sheridan 10 years ago just as we need a replacement right now.

Chairman NUNN. Why does that kind of equipment not receive more priority in the Army, General Lindsay?

General LINDSAY. Sir, it is receiving priority now. In the past, if you look at what happened in Vietnam, we mortgaged our future, if you will, for a host of reasons you are intimately familiar with. We had to give up something in the military, and our R&D slid.

We came out of Vietnam, and we clearly had let our commitment to the Western alliance and NATO slide, so we had to rebuild our forces. As we rebuilt in the early 1980s we focused on our primary commitment, that being to NATO. Our doctrine also put us on the higher end of the spectrum with the air-land battle doctrine, which is a great doctrine for fighting in Europe.

It drove our research and development, it drove our acquisition, and we had to fix what needed fixing most at the time; that was the heavy forces that were committed to NATO. As a result, the lighter forces were simply further down the priority list.

Just about the time we finished the big buildup in the mid-1980s, the Army then got to working on the lower end of the conflict spectrum, the lighter forces, if you will, and it is a very tough time to talk about new initiatives.

Chairman NUNN. Thank you. My time has expired.

Senator Thurmond, I see we have a vote up there, but I suggest if you would like to complete your round of questioning, I think we have time for that. Then we will take another break and come back and recognize Senator Exon.

Senator THURMOND. General Schwarzkopf, we are very pleased to have you and General Lindsay and General Thurman here today. We thank you for the fine contributions you have been making.

General Schwarzkopf, when you appeared before this committee last year, you indicated that the United States' image in the Central Command's area of operation was at an all-time high. I credit this favorable reception to our operations in the Persian Gulf in the presence of your command.

Considering all the changes in Europe, Afghanistan and Iran, what is our standing in the region at this time?

General SCHWARZKOPF. Senator, our standing is still extremely high. Once again, it still is a direct result of the fact that we went into that area when we were needed and we stayed when the going got tough. We are still there, and the fact that we are still there causes us to have a very, very high standing.

Senator THURMOND. Thank you very much.

General Schwarzkopf, with the reduction of Soviet military forces in Europe and their retreat from Afghanistan, have you seen any increases in the readiness and quantity of the Soviet forces in the Soviet regions adjacent to your area of operation?

General SCHWARZKOPF. Senator, there has been a Soviet reorganization in the area adjacent to ours. As a result, the Southern TVD, which is just north, has more forces in it than it had before. Of course, some of the forces that were pulled out of Afghanistan just went to the border area to the north and stayed there, so what you see is a slight increase in the number of fully ready divisions that could be utilized in that area.

Throughout the remainder of our area, the forces have pretty well stayed the same except that some of the advisers have been reduced in some of the countries somewhat; for example, in Ethiopia.

Senator THURMOND. General Schwarzkopf, I believe it was Senator Nunn who expressed his concern that the weapons that are being withdrawn from Europe will find their way into the foreign military arms market.

Could you tell us if you have seen an increase in foreign military sales in your area of responsibility, and, if so, what countries are responsible for the increase?

General SCHWARZKOPF. Senator, we have seen some increase. I would say we have seen some more modern equipment coming in from the Soviet Union and some of the Warsaw Pact countries, into Iraq. We have no hard evidence of others, but I fully expect it will increase in the near future.

Senator THURMOND. Thank you.

General Lindsay, I noticed in your prepared statement that the readiness of your command is affected by a shortage of qualified personnel, especially linguists. I recall that the Lodge Act passed in the 1950s established legislation that allowed the Army to enlist displaced persons from Eastern Europe to alleviate the linguist shortage which existed at that time.

Do you need some legislative relief to resolve your existing linguist shortages?

General LINDSAY. Sir, we are working on the language problem as we have been for the last 30 plus years.

I see some short-term progress. Specifically regarding Army special forces which has the most stringent requirements, every new special forces soldier must go through a 12-week course before he joins his team. It is a 12-week, you might say, survival language course. From among those in that course, we pick those who are doing the best and put them through a more advanced program. So we are making some progress in this area.

To revert back to your question on the Lodge bill, I am very familiar, having commanded a special forces A team when I was one of three Native Americans on the team. The rest all came into the Army through the Lodge bill and spoke a variety of languages.

There were a lot of good things about the Lodge bill. It was not quite the panacea for all the problems that some people would tell you because it brought some other problems with it.

I do think that we need to look at the problem. I think perhaps we could do some recruiting right here in the United States among various ethnic communities. I will come back to you for the record with a statement of exactly how we might go about doing that, sir.

[The information follows:]

Prior to enacting legislation that would allow the enlistment of non-resident foreign nationals in the U.S. Army, we need to have a reasonable assurance that a potential manpower market exists from which to recruit. In addition to area orientation and language qualifications, potential recruits must also possess the mental and physical qualities commensurate with those of a U.S. Army Special Operations Forces soldier. Presently, we do not have a grasp on the manpower market without analyzing the countries/regions of our shortfalls with respect to demographic data, and economic and geopolitical situations. We may find that this potential manpower market is so small that efforts in this area would be futile.

The Lodge Act, enacted in 1949 and terminated in 1953, was very successful in the post World War II era, one in which large numbers of displaced Europeans, with combat experience, were available and willing to accept service in the U.S. Army.

Given the current world situation, similar legislation may not be as successful. Therefore, we will not request legislative assistance unless studies indicate a high potential for such a program.

With regard to recruiting from ethnic communities in the United States, the U.S. Army Recruiting Command (USAREC) developed a Special Forces (SF) enlistment option to attract recruits who would agree to serve 3 years in a primary SF feeder Military Occupational Specialty (MOS), and then be guaranteed a quota for the Special Forces Accession and Selection Course. This option will be available to qualified men without prior service, enlisting for 6 or more years in the Regular Army and 2 years in the Individual Ready Reserve. It will become available in April-May 1990. Recruiters can concentrate their efforts for this program in appropriate ethnic neighborhoods and communities and target foreign language speaking individuals.

Additionally, USAREC is considering doing a study to determine the potential market for foreign language qualified personnel considering the current prerequisites for Special Forces. USAREC has already increased its efforts at recruiting Spanish linguists from other Army Career Management Fields.

These endeavors should greatly enhance efforts to provide a better foreign language capability in our Special Operations Forces.

Senator THURMOND. Thank you.

I believe I will have to go and vote now. I will come back and finish in a few minutes. The committee can just be at ease.

[A brief recess was taken.]

Senator THURMOND. We will now proceed where we left off.

General SCHWARZKOPF. Senator Thurmond, sir, before you begin, I would like to add a comment regarding your question about modern Soviet weapons coming into the AOR. One country I left out where there is just an unbelievable amount of modern Soviet equipment flowing in is Afghanistan. Ever since they left, the Soviets have been putting a lot of support in, but recently we have seen just an unbelievable amount of modern equipment.

I just wanted to add that.

Senator THURMOND. Thank you.

General Lindsay, the Soviet Union has an extensive special forces capability which has always been considered a significant threat in Europe, especially with regard to disrupting lines of communication and sabotage activities.

Based on the Soviet Union's stated defensive policy, do you have any indication that the mission and role of the Soviet special operations forces have changed?

General LINDSAY. No, sir, I do not. I would tell you I am probably not as well qualified to answer that question as General Galvin, the theater commander. Again, I can go back and get some information for you on that for the record.

Senator THURMOND. If you wish to supply anything else on that for the record, feel free to do that.

[The information referred to follows:]

[Deleted.]

Senator THURMOND. General Lindsay, although the combat element of the Special Operations Forces is receiving the majority of the publicity, I believe your Civil Affairs and Psychological Operations units play an equally important role in the low intensity environment.

Would you give us the status of the Civil Affairs and Psychological Operations units and what their special needs are?

General LINDSAY. Yes, sir. As you know, we have the bulk of our Civil Affairs and PSYOP forces in the Reserve components. In the

Active component, we have one Psychological Operations group, and we have about 5,000 additional PSYOP soldiers in our Reserve components.

In the Civil Affairs we have one battalion at Fort Bragg, the 96th Civil Affairs Battalion, and again we have about 4,000 or 5,000 soldiers in the Reserve components that provide us with a tremendous capability. At the moment I can think of no major shortfalls.

I would tell you right now that we have elements of PSYOP and Civil Affairs in Panama doing a great job. They also did a great job in the strike operations during Operation JUST CAUSE. General Thurman might want to talk to this when I get done because they were out there working the psychological op side of things, and I think they saved a lot of lives on both sides.

Max, would you like to comment?

General THURMAN. If I could, Senator Thurmond, tell you that each one of our battalion-size units in the JUST CAUSE Operation had a psychological warfare team assigned to it for the expressed purpose of trying to help reduce casualties.

During the operation, on the 24th of December, we put out a call for reservists to come forward to join in the Civil Affairs side of our operation. On Christmas Eve we put out the call for 133 people to volunteer, and we got 2,000 reservists who volunteered to come to Panama. So that tells you something about the dedication of the men and women who are in that force.

General LINDSAY. May I pick up on that? That is a very good point. We participated in preparing them to deploy to Panama and so forth, but there is an issue here concerning mobilization. We had to do it on a volunteer basis because we did not direct that those forces be activated.

As a result, I think we need to look at our Active component structure. We may need, in certain areas, especially more Civil Affairs and perhaps PSYOPs forces because if we have to rely on a voluntary callup, that could pose some problems for us in the future. We are looking at that right now.

Senator THURMOND. Thank you very much.

General Thurman, President Gorbachev has received a great deal of credit for his actions in Europe. While the world attention has been focused on that part of the globe, however, General Schwarzkopf indicates in his statement that the Soviet trend in his area of responsibility has increased in terms of advisers and military assistance.

What has happened in Central and South America with regard to the trends of Soviet personnel and military aid?

General THURMAN. As you know, the Soviet Union has recently shipped helicopters into Nicaragua, and they continue to do that even as late as January. In the case of Soviet military assistance in Peru, they continue to ship aircraft and equipment into Peru as well. So the Soviets are still moving equipment overseas into my area of operations.

Senator THURMOND. General Thurman, legal and illegal immigration from south of the border is a major problem facing our Nation. Last year Admiral Ustik indicated that well over 70 percent of the illegal agents apprehended were from Mexico and Central America. I understand the pressure of poverty, lawlessness and violence that are found throughout your area of responsibility are the driving factors behind this mass migration.

What can our Nation do to reverse this trend?

General THURMAN. I think the principal thing we need to work on is the economic situation in Central and South America. If we do that, we can turn people into productive citizens so that they can participate in democratic processes.

My figures indicate that about 98 percent of the illegal aliens arrested last year came from my area of operations. That amounted to about 927,000 people last year alone.

Senator THURMOND. General Thurman, in open session the intelligence community briefed us that there has been a significant increase in the proliferation of arms in Third World countries.

Have you seen an increase in the SOUTHCOM area; and if so, what is the impact of these additional arms?

General THURMAN. Well, as I indicated to you, there is still an influx of Soviet arms coming into both Cuba and Nicaragua, and we saw not too long ago, during the FMLN offensive in El Salvador, the supply from Nicaragua to El Salvador an insurgence of the SA-7 missile.

I am also astonished by what I found in Panama during Operation JUST CAUSE. The Panamanian defense force under the Noriega regime had imported some 50,000 weapons that we did not know that they had in caches all across the country.

We found 20,000 mint condition AK-47s furnished by the Cubans. We found another 5,000 or so furnished by the Nicaraguans. The arms industry is burgeoning in my area, sir.

Senator THURMOND. What have you done with those arms?

General THURMAN. Most of the arms that we captured in Operation JUST CAUSE, except for some that have been retained for outfitting the new public police force there, have been evacuated and are now located at Letterkenny Army Depot here in the United States.

Senator THURMOND. I thank all of you for your presence here and your testimony. Do any one of the three have any additional they would like to say that would be helpful to the committee?

[No response.]

[A brief recess was taken.]

Senator EXON [presiding]. The committee will please come to order. We apologize to our witnesses. We had two votes and that interrupted things more than normal.

It is my turn for questioning now. Let me first say that as we continue our assessment of the threat, when we have the people out there on the firing line come in here to give us the valuable testimony that you have given us today, I want to especially thank you for that, gentlemen.

We all have the highest confidence in you, and it is even better when you come in to give us your personal input on these important decisions that we are going to have to make, and we are going to do the best job that we can to provide you with what you need out there in your important commands.

I especially want to thank you, General Thurman, and you, General Lindsay, for Operation Just Cause. I was very much impressed with the way that was handled.

I saw you two or three times, General Thurman, on television. You looked to me like you were working and you also gave me the impression that things were under control, and I think that is what all Americans saw.

So, you and the people that you commanded just did an outstanding job down there.

I do have a question that has been asked of me on several occasions, and, without getting into intelligence matters here in open session, is it not true that most people, unless they were either asleep or did not open their eyes the day ahead of that attack, that the activity down there clearly indicated that something was about to happen.

Is that a fair appraisal of the situation?

General **Thurman**. Well, as you know, sir, we had a large number of people already forward deployed. We had 13,600 American service members located in the Canal Zone and we had a very high tempo of operations going on, particularly at night.

So from the status of the Panamanian capability to observe, I think we had a large deception program at work which essentially worked to preserve operational security during that particular time frame.

There had been a high level of operation in the previous month, particularly in the last week of November, because we had a reputed narcotrafficker bomb scare in Panama. Therefore, we had gone to the barricades to make sure we protected our people and our property down there, as well as the canal.

From that day onward, we kept a very high tempo of operations day and night. As a matter of fact, I was indicted by the Noriega regime for disturbing the peace and polluting the environment by running night helicopter operations; but every time I ran those night helicopter operations, the Panamanian Defense Force had to get up in the middle of the night and check out what I was doing.

So that all helped the deception program as we unfolded the operation. There was great ambiguity on their part as to whether or not Americans would ever launch such an attack.

Senator **Exon**. Are you telling me that the 2 or 3 days before the attack there was not increased evidence of planes landing and so forth?

General **Thurman**. What I am saying is we had started as early as July with a very high tempo of operations that kept going. There was an even higher level of airplanes coming and going in November. In December, therefore, I think that while there was a lot of traffic on the ramps, it was not seen as especially unusual. We did in fact have aircraft in hangers, and we had other equipment stashed out of sight.

So I think we maintained operational security fairly well.

Senator **Exon**. Would we have had a better opportunity, General, to capture Noriega if we could have known where he was simultaneous with the first landing?

General **Thurman**. Of course, we would have. What we were able to do is predict his whereabouts a certain percentage of the time, but he was a very elusive figure. He was a previous intelligence officer and he was well in tune on security matters.

One of the reasons we operated in the middle of the night was because he was given to night movement in order to befuddle our intelligence service. We elected to take down 27 targets at H hour in order to improve our capability to get him—we might not know exactly where he was going to be on any one night, so we had a large of number of targets we took down simultaneously in order to improve our chances.

As it was, we missed him by 5 minutes, and as sort of a sidebar, the uniform that I gave him to depart the Nunciature was a uniform that our Rangers captured at Tocumen Air Field because we missed him by about 5 minutes there.

Senator Exon. Thank you. I have a feeling that this question might be important as we look to the future. Have we made an assessment of this operation and how successful such an operation would have been in some other country—in some other location, where we did not have the U.S. bases that existed with you and the others there—with regard to airlift capability, the logistic support, and so forth?

In other words, we learned something from this operation. It was not a typical operation, I would suggest, General Lindsay, that you would be faced with.

Have we examined it from that standpoint, to say was it 50 percent more effective because we had the local support forces there or 25 percent or what?

General Thurman. Well, from my standpoint, it clearly is a unique operation because we had so many people forward deployed in the Canal Zone.

To give you an illustration, we used over 200 aircraft flying over 300 missions and that tells you the dependency we have on airlift, which is one of the reasons that I and other CINCs talk to you about supporting the C-17. But as far as that being a model incursion, I would say to you that each place we might have to go—I underline "might"—has to be treated as a separate case based upon the intelligence in that particular area, whatever forces you may have forward deployed, whatever forces may have to be infiltrated.

Each operation has to stand on its own merit, and this is a model for what we did there, but maybe not for elsewhere.

As it was, the intelligence that we had was outstanding—we had great intelligence support there.

Senator Exon. I guess my question is, what did you learn in this exercise that you think would be particularly important to us in follow-on exercises where we would not have some of the conveniences we had here?

General Thurman. Well, obviously you would have to consider many of the things you just described. Logistical support would be quite different because we used essentially local logistic support for the opening hours of combat; but there would have to be a complete operational plan that would consider everything from introduction of forces to resupply, to medical evacuation, air support and the like.

One thing I would say we learned about it is the enduring principle that great young troops that have been well rehearsed in an operation will, when the time comes, execute the plan well. For this particular one, the plan was executed exactly as it was planned and rehearsed and for that we thank you for your work in the Goldwater-Nichols Act.

One other thing—in the aftermath of Grenada we talked about communications work. Here is the entire CEOI, the Communications Electronic Operations Instruction, right here. When we started off, the paper was almost as high as this desk and through dint of resourcefulness and understanding we had gotten from the Grenada operation, this is the document that resulted from everybody's work. Communications is absolutely essential.

So we learned a lot about all of that.

Senator **Exon**. That is excellent news. Do you have anything to add to that, General?

General **Lindsay**. Yes, sir, I would add, in direct response to your question on what are we doing in terms of discerning the lessons learned, we are working through a very rigorous after-action review within the Special Operations Command, working from the squad and platoon level, all the way up.

It will culminate with a review at my headquarters. In that process we obviously are going to take into cognizance the fact that we did have a base there that we might not normally have and we will factor that into what we have learned and how we employ forces in the future.

Senator **Exon**. Thank you, I was particularly impressed with your comparison with what we did or did not do right in Grenada and as far as you can tell we did not repeat any of those mistakes.

General **Thurman**. Yes, sir. One other thing, it was a very streamlined chain of command. I was commanding Stiner. Stiner was commanding all forces underneath him, including all the Joint Operations forces, and so we had a very, very tight chain of command, and we permitted everybody to operate in his particular domain.

Senator **Exon**. Thank you, gentlemen. Thank you, Mr. Chairman. My time is up.

Chairman **Nunn**. Thank you, Senator Exon. Senator Kennedy.

Senator **Kennedy**. Thank you very much, Mr. Chairman. I guess this is best addressed to General Thurman and then perhaps any of the others may make a comment on it.

There is no question that we are seeing dramatic changes in the world. I think you have made reference to that in each of your presentations, and as we see the alteration and the change in terms of the Cold War it may very well be time to reexamine some of our policies whose central thesis was to combat the threat of communism; and El Salvador is perhaps the starkest example of that struggle, one to which we have devoted over $4 billion in the last decade alone.

Over the last decade we have increased the Salvadorian military from 12,000 to 56,000; the FMLN guerrilla force estimated to be about 6,000, which leaves about 10 government soldiers to every guerrilla. Yet those guerrillas were able to launch an extremely bloody and brutal, savage, offensive last fall in the heavily populated streets of El Salvador.

Would you consider a military victory over the FMLN guerrillas to be still a possibility, General Thurman?

General **Thurman**. I think the El Savadorian Armed Forces acquitted themselves in this particular action very well. I think there were four objectives that the——

Senator **Kennedy**. That is not my question. The question is, do you consider military victory over the guerrillas is still a possibility?

General **Thurman**. I think it is going to have to go to the table, and they are going to have to negotiate.

Senator **Kennedy**. So you do not think that just by sheer force of might that they can squash the guerrillas?

General **Thurman**. I think that they will not be able to do that because the guerrillas have sanctuaries they are able to retreat into and operate out of, and I think they are ultimately going to have to go to the table and negotiate through that position.

Senator **Kennedy**. Do you think that is really the only or the best solution?

General **Thurman**. I think the parties should come to a stop of the war. I would endorse the FMLN and the Christiani government to come to the table about that, and I think that is the road they are on.

Senator **Kennedy**. Are you in agreement with that?

General **Lindsay**. Yes.

General **Schwarzkopf**. I would not comment on that. That is not my area of the world, Senator.

Senator **Kennedy**. We comment on a lot of things. Let me ask you also, related to El Salvador we currently have a policy to limit the number of U.S. advisers in El Salvador to 55.

We regularly rotate temporary duty military personnel to El Salvador far in excess of that limit, as I understand U.S. military group personnel, helicopter detachment personnel, maintenance and medical personnel and special forces working with the Salvadoran military are not included in that total. Am I correct in that?

General **Thurman**. That is correct, sir.

Senator **Kennedy**. Can you tell us what is the role of the Special Forces in El Salvador?

General **Thurman**. We have used them on one recent occasion. Of course, they were caught up in the attack that started on 11 November, and they were there on a training opportunity. We had put several teams in from General Lindsay's command, and I believe that was the first team to go in; is that right?

General **Lindsay**. For that particular training series, that is correct. They went to train down there and they were in a training center, actually. They were not engaged directly in combat and they will not be.

Our team was conducting training when, because the guerrillas had moved into the urban area, the trainees were committed to fight. Our team had just completed the training and moved out to the hotel and when they happened to get caught in the hotel that night.

Senator **Kennedy**. So we are not in a position to advise the Salvadoran military in the midst of any battles?

General **Thurman**. No. The 55 advisers are in the advisory chain during that, but not the group of Special Forces like that, no.

In other words, we are limited to 55 direct advisors and on special occasions we rotate in forces that might do some specific training, usually for 10 to 15 days, and then come out.

Senator KENNEDY. Were these Special Forces—were they working with the elite Atlacatl Battalion?

General THURMAN. I do not recall.

General LINDSAY. I cannot remember which battalion they were working with, sir. I think it was, but I am not certain of that.

General THURMAN. I will have to put that in the record. I do not know.

Senator KENNEDY. As I understand, they are allegedly the ones that have been charged with the murdering of the priests, and I was just interested whether the Special Forces had been training with that particular battalion. They had in other times, if not in that time, had they not?

General THURMAN. I do not know, sir. I would have to go audit that.

Senator KENNEDY. Perhaps you can let us know.

General THURMAN. I will be happy to furnish it for the record, sir.

[The information follows:]

There is no U.S. military advisor to the Atlacatl Battalion. On 10 Nov 1989, a Special Forces A-Detachment of 12 men deployed to Sitio del Nifio, the location of the Headquarters of the Atlacatl Battalion 23 miles outside the capitol of San Salvador to conduct an evaluation of its own proficiency in training foreign troops. A total of approximately 169 personnel of the Atlacatl Battalion participated in training conducted by the Special Forces Detachment in the vicinity of Sitio del Nifio during the period 11–13 November. All tactical units of the battalion were deployed on 13 November for commitment to combat operations. From 13–20 November the Special Forces Detachment conducted opportunity training with support personnel who remained at the battalion headquarters.

In the year prior to November 1989, there was one instance of training by U.S. military personnel which included student representation from the Atlacatl Battalion. In January–February 1989 the U.S. trainers assigned to another Salvadoran unit conducted a Designated Marksman Course (3 weeks) and a follow-on Sniper Course that included participation by personnel of the Immediate Reaction Battalions. The three trainers were all Special Forces soldiers assigned to the Military Group as part of the 55 authorized trainers. About 10 Atlacatl soldiers, all enlisted, participated in the Designated Marksman Course. About 30 Atlacatl soldiers, all enlisted, participated in the sniper training.

Senator KENNEDY. What is the current policy if either a United States, or Special Forces advisor learns of human rights abuses by the Salvadoran military.

General THURMAN. If they learn of them, the policy is to report them up their chain of command.

Senator KENNEDY. Up whose chain?

General THURMAN. Up the U.S. military chain of command. In this case, we have a military group chief there, a full colonel who is on the Ambassador's staff, and he commands all military forces in country. So anybody going into and operating inside the country is obligated to report up to the military group chief, and from him it goes to the Ambassador.

Senator KENNEDY. Roughly how many incidents, or how many reports do they receive in the course of, say, 6 months or so?

General THURMAN. I do not have a count on that. One of course I am familiar with is the one that came up in the Jesuit murder case, and that came up through the chain of command, just as I indicated.

Senator **Kennedy**. Well could you provide that?

General **Thurman**. I will be happy to provide it.

Senator **Kennedy**. In whatever form is appropriate, but what I am really looking for is how effective that process and system is.

I am sure you have read about the various newspaper stories and other stories that indicated that some of the human rights circumstances were noted by American servicemen, or should have been noted by American servicemen. I would just be interested if the system which you have outlined here is functioning, or whether it is working.

[The information follows:]

Clearly the system can and does function since the report of Salvadoran Armed Forces involvement in the Jesuit murders came from a U.S. military officer who reported what he had learned to the Commander of the U.S. Military Group. There have been no other incidents in the past 6 months in which our Military Group in El Salvador has been the initial reporting agency. There were, however, several in the last few months in which our military personnel assisted in obtaining information, or clarifying information when such incidents were reported by other sources. There are written policies in effect that require U.S. military personnel to report all known or suspected Human Rights abuses.

Concern for human rights is part of every service member's duty. U.S. military personnel understand that a major part of our mission in El Salvador is to promote democratic values and a concern for human rights.

Senator **Kennedy**. Could you, General Thurman, speak to us a little bit about the work that is being done with regards to the Panamanian military or civilian force?

I remember being in Costa Rica about 1962, just after I was elected, when Pepe Figueras at that time announced that they were going to effectively disband the military and develop their own police force.

He at that time took a big ax and pictures were all over the world of him breaking down the symbol of the military that had been in Costa Rica at that particular time, and then I saw a similar picture by Endara several weeks ago. What can you tell us?

This is obviously a decision for the Panamanians. I think all of us understand it, and obviously whatever interest we have we want to support whatever judgment, and that has to come from the top. I do not think it is appropriate for us to be trying to dictate what they are going to be developing in terms of their own future kind of security interest.

We obviously have interests, but we have to respect what is going to be their judgment and what President Endara has stated to be his desire in developing that civilian force. What can you tell us about the kind of role that we are playing in furthering that what I would consider to be a very useful and worthwhile effort?

General **Thurman**. I will be happy to answer that. Shortly after the incursion took place on the 20th, the three principals got together and said that they did not want a continuation of anything like the former PDF. They wanted to turn the new security force into a police force, essentially a police force.

So since that time, that matter has been under the jurisdiction of Dr. Arias, the first Vice President, and he is steadfastly hewing to the mark of exercising civilian control.

As you know, in the old PDF all of the functions of security were in fact located underneath the head of the PDF, in this case Noriega. So what Dr. Arias has already done is to begin to break out the functions that were in the PDF. For example, immigrations and customs were part of the PDF, so no PDF officer or enlisted man ever had to go through customs or immigration; therefore, you could bring in arms illegally and the like. Those functions have already been transferred to the Treasury Department, which reports separately and does not report to Dr. Arias.

In the case of the FBI look-alike, formerly known as the DENI, now known as the Technical and Judicial Police, that has already been broken out and given to the Attorney General, which reports separately to the President of the Republic.

The remaining task is to put up an urban police model and a rural police model and the Department of Justice has been working in-country since early January. The ICITAP has that function in the Department of Justice, and it is working with the Ambassador to stand up the police force in both the city and the urban area.

Now, the U.S. military has been of assistance in patrolling the streets and operating hand-in-hand with the new Panamanian police force, called the Fuerzas Publica, on the street, in two-by-two patrols using our equipment and our vehicles to maintain law and order on the streets. Yesterday, you all approved the bill that permitted us to get radios, vehicles, uniforms, and the like for the Fuerzas Publica, the funds for which are going to be cut loose very shortly.

We have been hand-in-glove with them. We have brought in people through General Lindsay's Reserve Civil Affairs Unit, and now the ICITAP. Department of Justice has brought in American police officers from a wide spectrum of America to work at the precinct level and upward and technical assistance is being provided to their Technical and Judicial Police. Classes have started. So there is quite an effort now, sir, to civilianize what was a military force.

Senator **KENNEDY.** You are satisfied that with the recruitment process that has been developed that we are not going to get a return of a lot of the PDF in places of responsibility that might threaten the desired goal of President Endara?

General **THURMAN.** Well, I think there is a continuing responsibility to continue to review members of the force, and we have provided information to the Ambassador who has, in turn, at the request of the Panamanian Government, used that to help vett the force.

In the rural provinces essentially west of Rio Hato, as you may know, there were only three rounds of rifle ammunition fired, essentially west of Rio Hato, and about 3,000 troops laid down their arms out there. In that case, Dr. Arias went out to the provinces, had people step forward, swear into the new government, lay down their arms, and we changed our AK-47s for shotguns and pistols in order to disarm the PDF. They then were incorporated, or put into the new Fuerzas Publica. That process continues on, and we have continued to aid the government with what we know in de-briefing statements. There have been removals from office, and there will continue to be, as people are vetted through that process.

Senator **KENNEDY**. Thank you very much. Thank you, Mr. Chairman.

Chairman **NUNN**. Thank you, Senator Kennedy. I have a few more questions for each one of you. Senator Kennedy, do you have any more questions at this point?

Senator **KENNEDY**. No.

Chairman **NUNN**. This is to General Schwarzkopf and also to General Thurman, but primarily General Schwarzkopf. We keep reading reports about the Defense Planning Guidance. There are all sorts of interviews going on, and there are all sorts of reporters running around with the Defense Planning Guidance, and yet it is classified.

Let me just ask you a question. Have you read it?

General **SCHWARZKOPF**. Have I read the Defense Planning Guidance?

Chairman **NUNN**. Yes.

General **SCHWARZKOPF**. Yes Senator, I have.

Chairman **NUNN**. Are there very many secrets in there? Do you think there is anything in there that Congress cannot be trusted with, anything like that?

Now that The New York Times and The Washington Post have copies, can we talk about it in an open hearing?

General **SCHWARZKOPF**. Senator, why don't you ask the question, and I will let you know if I can answer it in an open hearing or not, sir.

Chairman **NUNN**. It is a bit frustrating. I hope somebody in the Defense Department will take that message back, if there is anybody here, because it is supposed to be classified. I do not think there is much in that to be classified. It is basically guidance as to how we formulate our strategy, which is what we are trying to ascertain here in these hearings.

But nevertheless, getting to the substance of it, there was a report in The New York Times and The Washington Post based upon a briefing by a senior Defense Department official on the new Defense Planning Guidance issued by Secretary Cheney.

According to these newspaper reports, the guidance switches the emphasis in our defense planning from the Soviet thrust into Iran to the defense of friendly Arab States in the gulf. Could you tell us generally whether these reports reflect your view of what we ought to be doing over there?

General **SCHWARZKOPF**. Yes, Mr. Chairman. I will tell you, this is a great example of how Goldwater-Nichols has given the CINC more influence in determining just this sort of thing.

Shortly after I took command of Central Command, it became apparent to me that we were spending an awful lot of money to preposition a lot of equipment and buy a lot of stuff so we could make a forced entry if need be into Iran to fight the Soviet Union in Central Iran.

Given what happened in Afghanistan, and given what was happening all over the world, it just did not seem likely that the Soviet Union would be invading Iran any time while I was in the position of CINCCENT, or perhaps a few years after that.

So I looked very hard at that situation and made a decision that I felt the real threat we would have to face over there in the near term—not the long term, but the near term—was going to be one of these regional conflicts overflowing its boundaries, just like what happened in the Iran-Iraq War.

Therefore, I went back and had a lot of conversations with a lot of people in the Department of Defense and the Joint Chiefs. I talked with the Chairman of the JCS, General Powell, and he agreed with me.

As a result of that, when the Defense Planning Guidance was rewritten, as this high Department of Defense official said, our thrust was more on regional contingencies that would occur in the Arabian peninsula instead of on the Iranian focus. However, we still have the capability and are planning for the Iranian situation should it come to bear.

Chairman NUNN. It would also be difficult to imagine the American people supporting a decision to defend the Iranians, would it not?

General SCHWARZKOPF. That whole scenario is based upon a full-scale war with the Soviet Union and Iran while we and the Soviets look at each other elsewhere in the world, and that did not make a lot of sense.

Chairman NUNN. In effect I would call this a change in strategy, would you not?

General SCHWARZKOPF. Yes, very definitely.

Chairman NUNN. How does this affect your command in terms of your resources and so forth?

General SCHWARZKOPF. I think we are going to be able to show some considerable savings. Unfortunately, I cannot show it immediately, although we have identified about $1 billion to date I think we can save the American taxpayer.

Chairman NUNN. In the short-term time frame, 1 year, 5 years?

General SCHWARZKOPF. Over the program years so far. But I think I am really in the process of developing a far more robust concept for this new strategy, and by next year at this time I should be able to give you a better idea.

Fundamentally the difference is if we had to go into Iran, we would have to force our way in and we would have to support ourselves over the shore, et cetera.

If we go in on one of these regional contingencies, it is highly likely that we are going to be invited to come in, and we are going to be able to use port facilities and logistics facilities and petroleum and a lot of other things complement our own support. We will have better host nation support, and that makes a big deal of difference, a great deal of difference in the amount of money you have to spend to get in there.

Chairman NUNN. In terms of the savings you have identified from this, what would be the nature of the savings, the $1 billion?

General SCHWARZKOPF. Part of it is prepositioning costs and part of it is procuring equipment, to allow resupply over the shore in an unfriendly environment. Part of it is military construction and part of it is savings on petroleum and oil and lubricant costs.

But I think if we had to operate in the Arabian peninsula we would certainly have access to those and would not have to bring them all in ourselves, that sort of thing.

Chairman NUNN. Would you not say this was a very different strategy? It is not just a change at the margins. It is very different, is it not?

General SCHWARZKOPF. I would say it is a reordering of priorities, Mr. Chairman. We have had that strategy in the past. We had, obviously, a regional strategy as well as a full-time war strategy, but what I have done is change the emphasis as Commander-in-Chief of Central Command from all of our emphasis on what I considered an unrealistic strategy to a far more realistic strategy.

Chairman NUNN. What other areas do you think will change because of this? Does this change the kind of forces you have in the area, the kind of forces you need? You do not need the same capabilities for friendly entry and amphibious forced entry, do you?

General SCHWARZKOPF. We may or we may not. I certainly have not discounted the requirement for forced entry because I can envision some other scenarios where I would certainly require forced entry, but they are less difficult scenarios than the one we are focusing on right now.

I would tell you that I have always had the requirement for the highly mobile contingency forces; that is, forces that were based in the United States of America, but could rapidly deploy to that part of the world, and these include both light and heavy forces.

Anyone that goes into that part of the world and thinks they are going to fight a battle with only light forces is going to very quickly lose. There is definitely a requirement for heavy forces—heavy contingency forces that can be deployed in that part of the world.

Chairman NUNN. Let me ask both of you this question. Have you seen any indications yet that some of the equipment drawdown in the Central European theater, primarily from the East Europeans, but also possibly from the Soviets, is going to pour over into your areas in terms of cheap sales of equipment?

General SCHWARZKOPF. We have already seen that, Senator.

As I mentioned earlier, Afghanistan is a prime example where there is just unbelievable amounts of modern equipment flowing in on a monthly basis.

We also have seen other equipment flow into Iraq, and I would suspect a lot more of it is going to end up down there.

Chairman NUNN. You are saying the Iraqis are being supplied by the Soviets directly or East Europeans?

General SCHWARZKOPF. The Iraqis are being supported directly by the Soviets. We see some of the other countries being supplied by East Europeans. A lot of them, of course, are being supplied by North Korea and China. There is always sort of a spillover effect as one replaces something, and provides the old equipment someplace else.

Chairman NUNN. Suppose our arms control negotiations get behind the curve and the unilateral reductions take place in Eastern Europe and the Soviet Union and so forth with a lot of equipment moved out of Central Europe outside the context of arms control and, therefore, outside the context of required destruction. Does that concern you in terms of what may happen to that equipment?

General SCHWARZKOPF. Well, we all know that the primary source of hard currency for the Soviet Union today is in arms sales, and I think it is going to continue to be that way, given the state of their economy. So, I have every reason to believe that if they have a lot of excess military equipment on their hands, we have a lot of countries that have got a lot of cash and they are going to buy it, and the Soviets are going to sell it to them.

Chairman NUNN. How about the East Europeans? Do you see any sales activity?

General SCHWARZKOPF. I do. They are a source right now.

Chairman NUNN. In which countries?

General SCHWARZKOPF. In several of the countries over there. I would have to go into that in closed session as far as the exact numbers.

Chairman NUNN. General Thurman, how about in your area—the same question.

General THURMAN. I have not seen any great flow from any of the European countries. The Soviet Union continues to supply assets, as I indicated already in testimony, to Nicaragua with helicopters arriving there last month, and they continue to sell or supply or grant the Peruvians equipment.

Now, regardless of whether that is being transshipped from other stockages, it is still coming from the Soviet Union.

Chairman NUNN. We read reports, General Thurman, about MiGs being shipped to Cuba. What can you tell us in open session about that?

General THURMAN. I cannot tell you anything about that in open session at the moment.

Chairman NUNN. Let me ask really all of you about the intelligence situation. I know, General Thurman, you have testified before the Intelligence Committee, but that was not in open session, was it?

General THURMAN. It was in closed session, Mr. Chairman.

Chairman NUNN. How do you assess our strengths and weaknesses in intelligence support for low intensity conflict? I will ask you, General Thurman, then General Lindsay, and then General Schwarzkopf.

General THURMAN. Let me comment on Operation JUST CAUSE by simply saying that the intelligence support was great.

I would have two comments as a result of hindsight looking at all of that. One is, I think your committee and others should take a good look at the balance between technical means both in imagery and in signals intelligence and in human intelligence to make sure that human intelligence is adequately funded both in numbers of people and in the equipment needed for important missions.

Chairman NUNN. That means you think we could have had a better human intelligence in Panama?

General THURMAN. That says I would like to have had some better human intelligence in Panama.

Chairman NUNN. What areas particularly would that have helped?

General THURMAN. Particularly on the U.S. military side with case officers and their ability to work on a more prolonged basis in terms of handling more people.

We have a paucity of Spanish-trained linguists that have been trained in this particular tradecraft and, therefore, we need to work on that. I have started that up my chain of command.

Incidentally, you should understand in Panama we had people down there before the operation; so if you think your way through that a little bit, you may ask what about places where we do not have troops forward deployed?

Chairman NUNN. We had all the advantages in Panama.

General THURMAN. Absolutely.

The second item I would ask for your consideration in the review of the procurement side of the budget is we need to take stock of, particular for the counternarcotics fight the signals intelligence direction finding equipment and long-dwelling capabilities for overhead imagery and signals intelligence and direction finding.

Right now C-12s and other kinds of aircraft like that with very short legs are the principal vehicles on which we do that work, and we need to turn more assets into that particular fight because intelligence is the key.

Chairman NUNN. Let me ask you one follow-up and then I will go to General Lindsay.

On the human intelligence side were you not somewhat surprised by the amount of arms that had been stored in Panama that were found during the operation?

General THURMAN. Yes, sir. We found some 52,000 weapons for a 15,000-man army, and I was flabbergasted. Twenty thousand AK-47s, some of which had come from Nicaragua, some from Cuba, and then tons of explosives, and the total number was an overwhelming number for a very small armed force of less than 15,000 people.

Chairman NUNN. Do you believe we should have picked that up with our intelligence?

General THURMAN. In my view we had been working in that particular country for a number of years. The canal has been up and operating for 76 years and, therefore, we ought to have done better than that.

Chairman NUNN. Looking back on it, did we have any intelligence reports that indicated the degree of arms storage there?

General THURMAN. Not that I know about, sir.

Chairman NUNN. Have you decided in your own mind—I know it is a subjective judgment—what all those arms were doing there? Do you think that the Noriega regime was planning on selling them? Had Panama become a transport point for the sale of arms?

General THURMAN. Although the Noriega regime had previously provided arms to various insurgent movements in the area, I would say in the main that the weapons had been procured or given to the Panamanian defense force for the purpose of ultimately arming the paramilitary forces. The vanguard of that was a force, not properly titled, called Dignity Battalions, which were made up of civilians and paramilitary. So, we thought we had between 2,000 and 3,000 paramilitary forces capable of going in the field against us, and we had very good reporting on that, but had that particular capability developed for another year or so with as many as 50,000 arms in the country, that would have been a very difficult situation for American forces.

Chairman NUNN. The Dignity Battalions fought better than you thought they would, did they not?

General THURMAN. They did not fight better, but they harassed well, and we still have some remnants of those, although we have picked up and detained six of the battalion commanders and the leader of the Dignity Battalions. We have gotten a great deal of information since that time out of those particular people in debriefing as to the substructure of the operation, and we think we are doing reasonably well to keep up with it. It is something to bear watching, though.

Chairman NUNN. You think the danger to U.S. military and civilian personnel is now at a minimum in Panama? How would you describe it?

General THURMAN. I would describe it as requiring continued vigilance on our part. We need to maintain surveillance to make sure that there is not any rising of any insurgency either internally or externally. But at the moment things appear to be reasonably quiet.

We have not had any major problems with respect to any armed bands or any of that sort of business. We have isolated reports of that, and we try to be very responsive to the concerned citizenry by having hot-lines so we can respond quickly to those emergencies.

I might also add that in the provinces we still get reports of arms caches. About 3 weeks ago, we had a call-in that said you will find 400 AK-47s buried at grid coordinates X. We went out and dug up 457 AK-47s and 450 grenades. So, there is still some equipment lying around in the countryside, and that is one reason we have retained some of General Lindsay's Special Operating Forces people to assist us in making sure that we are responsive to calls from concerned citizenry.

And, as I indicated to Senator Kennedy, we are continuing to work side by side with the new Fuerzas Publica in terms of trying to stand up both the urban police as well as their rural police.

Chairman NUNN. When I was in Panama with you, you had a number—I do not remember—several hundred of the so-called Dignity Battalions and perhaps others that were not accounted for. They were presumed to have taken arms and were not under arrest or under any kind of scrutiny at that stage. You did not know where they were. What is the status of that now?

General THURMAN. We continue to get reports that some of them are loose, and we follow up on all of them with mounted operations to go and track them down. The number of pickups we are getting on that has dwindled. So, they are either melting into the woodwork or they have given it up for the time being.

One of the things that concerns many folks is what happens when we get down to the 13,600 pre-JUST CAUSE number which we will this month. The answer to that question is I have retained a number of military police companies to assist in maintaining law and order there to the extent we are called upon to assist the Panamanian Government.

Chairman NUNN. How many prisoners do we still hold?

General THURMAN. We hold zero, I believe. As of last Tuesday night, we had 11. We had detained more than 5,000, but they have either been vetted and released or turned over to the Panamanian

Government. On Tuesday night, I counted 11, and those were to be returned to custody of the Panamanians.

Chairman Nunn. General Lindsay, the same question to you on the intelligence. How do you assess our intelligence and particularly the human side of it or the side of it that you most rely on?

General Lindsay. Well, as you know, our warfighting doctrine has tended to focus on the higher end of the conflict spectrum, and that drives basically what we do. So, as a result, our intelligence architectures have all been geared in that direction.

Good SIGINT, good imagery, and a lot of things that look for macro things, movement of large units and the like.

One of the things I have had the USSOCOM intelligence shop working on since we formed the command was to work with the Defense Intelligence Agency, and the other agencies in government, to try to develop architectures that focus more on the things we need in the lower end of the conflict spectrum. We are working through that. I meet frequently with General Soyster and his people on this.

Now, there is a subset of that that has to do with surgical strike operations. As you know, the key to a successful surgical strike operation is finite, very accurate intelligence so you know what is going on and what you need to do.

And HUMINT is invaluable in that regard.

In closed session at whatever time you would like to get together, I can talk to you more in detail on that.

There are some things we are doing to try to come to grips with that.

Frankly, some of these operations I do not consider intelligence in the sense that you would normally talk to them, but rather leader's reconnaissance, getting the kind of things an infantryman would do in terms of getting someone over the next hill to see what is going on there, and you might call it advance force operations. But I would be glad, in closed session, to talk to that in more detail.

Chairman Nunn. Thank you.

General Schwarzkopf, how about you on the intelligence side?

General Schwarzkopf. As you know, we reported to this committee before that we had excellent intelligence during the gulf war from the national agencies. Of course, I would certainly echo the comments of both of these other CINCs here with regard to the HUMINT capability. That is the area where we are certainly the weakest.

Chairman Nunn. General, while I have you, what about Goldwater-Nichols in your command and how that is working and particularly the quality of the officers assigned to your staff? Have you seen any difference? Can you assess the effects of Goldwater-Nichols in your command?

General Schwarzkopf. Mr. Chairman, I can tell you without question there has been a rather dramatic increase in quality.

Chairman Nunn. So it has had a positive effect?

General Schwarzkopf. Very positive effect.

Chairman Nunn. How about your relationship with your components?

General **Schwarzkopf**. I have a very, very good relationship with the components; excellent rapport with all my components.

Chairman **Nunn**. General Thurman, same question.

General **Thurman**. It has worked well. I must say that in the JUST CAUSE Operation, as I have already alluded to, the streamlined chain of command functions worked great. We presented the plan to the JCS, and the Chairman presented the plan to the Secretary of Defense. The Secretary of Defense presented the plan to the President of the United States. They said execute.

When they did say execute, the plan came down unchanged, unhampered, untouched by human hand. We had done a great deal of rehearsal with Jim Lindsay and his forces, and so we had a very, very good, tight chain of command. One of the outcomes of the Goldwater-Nichols Act is this single communications document. That says when the CINCs said do it, that is what they did and that was the end of it with all the components. We had a lot of people in there, including more than 200 aircraft operating on all those things.

Chairman **Nunn**. I gather all three of you, then, would not say that Goldwater-Nichols was micromanagement by the Congress?

General **Thurman**. I like it very much. In my former days as Vice Chief I might have said something different, but I sure like it as a CINC. As a CINC, I love it.

Chairman **Nunn**. General Schwarzkopf.

General **Schwarzkopf**. I agree with General Thurman. As Deputy Chief of Staff for Operations of the Army I might have said differently, but as a CINC I think it is just great, sir.

General **Lindsay**. I have been a unified commander for 3½ years now, and I have watched the shift in the quality cut. I do not mean in any way to degrade the quality of the fine service of many of the officers who served for me in REDCOM, but there is a very clear and distinct improvement in the quality. You can see it in virtually any yardstick you want to use, whether school selection, promotion or quality of the staff work. It is there.

General **Thurman**. May I just jump on the quality business for a moment. I think it is important as you look ahead in your responsible duties to note that one of the principal reasons we did reasonably well in the JUST CAUSE Operation is we had dynamite young men and women of all services who came to the fray.

When you have very high quality people and you have good leadership and you have a very robust operations and maintenance budget that permits you to conduct the kinds of rehearsals we have been doing for the last several years, not just with this operation but in all of our operations, then you can have smaller forces that are very highly trained, that are very well manned. If you do that, you will be successful, I believe.

Chairman **Nunn**. I will ask this of all three of you, but I will ask General Thurman first and then General Lindsay because you both were just involved in a recent activity. General Schwarzkopf, you had one not far back.

The subject of women in combat has come up. How do you assess the situation in terms of Panama? Do you think we learned anything there that would indicate we need to change the law or change the practices regarding women in combat?

General **Thurman**. The law, in my view, does not need to be changed. There were cases in Panama where women came under fire and did what we trained them to do because we train all people to be capable of reacting in a combat situation.

I think the laws currently extant are great. We did not tamper with the force when they came in. The people that had trained together served together, rehearsed together, came to the incursion together. Where battles, particularly in a low intensity conflict, may ebb and flow, everybody is liable to get caught up in the war somewhere in the battle. In this case, a couple of those things occurred, and people acquitted themselves very well.

Chairman **Nunn**. You do not favor putting women in front line combat units, though?

General **Thurman**. No, sir, I do not. I think the Army's regulations on that are fully consistent with what is right and proper. As you know, I have been formerly the Deputy Chief of Staff for Personnel in the Army and the Vice Chief, so I know something about the history of all that.

Chairman **Nunn**. Tell us why, General. I am not trying to put you on the spot, but I do think that your experience is valuable, and we are probably going to have some votes on that this year.

General **Thurman**. My view is that we train people, as I said, in case they get into difficulties. In the case of our Military Police captain, she might have been involved in ambushes, convoys, everything.

Chairman **Nunn**. What I mean is why do you support the existing law which does prevent women from being assigned to combat units? Why should they not be assigned to combat units?

General **Thurman**. Routine carrying of a 120 pound ruck sack day in and day out at the nexus of battle between infantrymen is that which is to be avoided, and that is what the current Army policy does.

Chairman **Nunn**. What if there is a big woman who can carry that, who is very strong? That is the argument we are going to hear.

General **Thurman**. I know that is what the argument is going to be.

Chairman **Nunn**. I am sure there are some who can carry 120 pounds easier than some men.

General **Thurman**. I will say it works well just like it is.

Chairman **Nunn**. General Lindsay.

General **Lindsay**. Sir, first of all, as far as JUST CAUSE was concerned it did not become an issue with my command, but I am aware there is a lot of discussion on this issue right now, a lot of it driven by emotion and causes and so forth.

I agree with everything General Thurman just said.

I think in the discussion of the situation with the MPs, the dog kennel, a lot has been lost in transmission here, if you will. That basically was some soldiers going out to check out something. He might speak to this better than I. There were five shots fired, but it was not closing with and destroying the enemy. There is a vast difference between defending yourself and closing with and destroying the enemy. That is what the infantry and armor forces are. That is their mission.

I really do not think that there is a role for women in those particular units. I am very familiar with the fact there are some women who are in tremendous physical condition. I routinely participate in triathlons, and lots of them beat me. I am aware of that. The fact of the matter is, as Max said, carrying a 120 pound ruck sack and doing some of the other things you have to do, on the average I do not think most women want to do that to begin with.

People do not seem to be able to understand that there is a very significant difference in what military police do and what infantry and combat units do in closing with and destroying the enemy.

Chairman NUNN. General Schwarzkopf, I would not want to deny you the opportunity to speak on this subject. [Laughter.]

General SCHWARZKOPF. Senator, you have a greater audience here. When General Thurman was Chief of Personnel, I was his deputy, and both of us were up to our ears in the Women in the Army study trying to defend that. So, we are not without experience in commenting on this subject.

Fundamentally, it is just a question of the fighting ability of the U.S. Army. The way I always answered it is, I think that any prudent person would agree that we would probably lose some fighting ability if 50 percent of all of our infantry units consisted of females. You de facto, therefore, have to have some kind of combat exclusion to maintain the fighting ability of the Army.

What we did was come up with a policy that we felt was the best administration of a combat exclusion policy that was fair and gave everybody an equal opportunity to get ahead in the Army. That really is sort of where it came from.

There are a lot of other formulas out there that you could apply if you agree that some sort of combat exclusion is appropriate, but I would tell you that the one we came up with was not without an awful lot of hard work and an awful lot of scrutiny at the time, and it has worked very well since then in maintaining the fighting ability of the Army.

Chairman NUNN. Do men get to choose whether they want to go into combat units when they are in the Army?

General SCHWARZKOPF. Of course, in their initial enlistment our volunteers have several options, but one of the options is to choose the branch that they go into. Of course, choosing the branch determines whether or not they are going to be in combat.

Chairman NUNN. Can they be shifted into combat positions if we get into a war if they do not opt for combat?

General SCHWARZKOPF. Surely.

Chairman NUNN. Women cannot, though, under the current law and regulations?

General SCHWARZKOPF. Under the current law they certainly are not branched into combat positions. Just as General Thurman said, we train everyone to defend themselves, and if the situation got to the point where the enemy was coming over the walls, I would guarantee that everybody would be defending themselves.

Chairman NUNN. Let me ask one other question, and then we are going to have to get you back for a closed session at some point. It will not be today.

With regard to security assistance, General Thurman, you mentioned the Andean countries. President Bush is going to be going for a summit conference on the drug situation very shortly to Colombia.

How do you rate security assistance in terms of your overall priorities that are needed at this juncture in your command and particularly vis-a-vis narcotics?

General **THURMAN**. Security assistance is absolutely essential as an operating tool in my command. At the moment, security assistance is almost dried up except for the counternarcotics money in South America. There is very little left for anybody else to do anything with. Counternarcotics has simply eaten up all the money in South America.

In Central America there is some security assistance money in El Salvador, about $85 million as I recall it. In Honduras it dropped from $40 million to $20 million this year. So it is on the decline almost everywhere.

Chairman **NUNN**. Where do you rate that in terms of your needs? Let us say on a scale of 1 to 10, where is it in terms of what you need in your command?

General **THURMAN**. With one being the highest, it is number one for me. A security assistance system is the most important tool that I have because it provides the financial assistance to get people down from the United States to train in Latin American countries. It provides assistance to train them. It provides the undergirding for bringing their officers to the United States of America for training. Hopefully they will carry back the democratic processes that we enjoy in our county into their own armies.

So it is the number one tool we have. We do not have enough flexibility with it. At the moment, there is not enough of it in my area of operations.

Chairman **NUNN**. You would put that right at the top of the list of needs?

General **THURMAN**. Absolutely right. That and long dwelling intelligence platforms are the number one and two items on my list.

Chairman **NUNN**. General Schwarzkopf, same question.

General **SCHWARZKOPF**. Mr. Chairman, security assistance is probably the number one weapon that we have available in executing a peacetime strategy in the Third World. I would tell you right now that, in my opinion, it is sadly broken. It does not support the long-term strategic objectives as I see them in that part of the world.

Chairman **NUNN**. I think it is very strong when all the CINCs come up and make the point that that is the number one priority and the number one deficiency, as I understand what both of you are saying.

General Lindsay, the Special Operations Command is assuming control of its budget one year earlier than originally expected. Do you have enough resources to manage and execute the Special Operations budget?

General **LINDSAY**. Yes, sir, I do. I came in originally for 41 additional people to pick up that responsibility, and when we got done with our work with the OSD staff and the Joint Chiefs I actually ended up with about 45 people. We have the people authorizations to do that.

Chairman **Nunn**. Do you have the agreements in place with the services that you need now?

General **Lindsay**. No, sir, I do not at this point. We are still working on that. We are in varying stages of negotiating those agreements.

I would hope that within the next month we will have that concluded. Anytime you change the way you do business in a bureaucracy there are people who do not want to change. Frankly, I get along very well with the services, and I can tell you that since I last reported to this committee the support in general from the services has been excellent.

We have had some disagreements on the interpretations of the law and particularly in those areas where I am picking up responsibilities that have traditionally belonged to the services. In some cases, for instance training, the Cohen-Nunn amendment is very clear as far as I am concerned as to my responsibilities in training, section 167, title 10.

On the other hand, we did not erase some of the things in the existing JCS publications that give the services responsibility for training. Now I think reasonable men can work that out, and that is exactly what we are trying to do.

Chairman **Nunn**. Thank you all for being here. We appreciate it, and good luck in your very important responsibilities. We hope you will stay in touch.

General **Thurman**. Thank you very much, Mr. Chairman.

General **Schwarzkopf**. Thank you, Mr. Chairman.

General **Lindsay**. Thank you, Mr. Chairman.

[Questions for the record with answers supplied follow:]

Questions Submitted by Senator J. James Exon

U.S. DEPENDENCY ON PERSIAN OIL AND THE POSSIBILITY OF REGIONAL CONFLICT

Senator **Exon**. If hostilities between the two countries are renewed (since they have not signed up to final truce arrangements, this is a possibility), would the threat to Western security be any greater than during the first war or is the vulnerability to the U.S. and its allies more tied to a scenario where a superpower like the Soviets invaded and controlled the region?

General **Schwarzkopf**. The threat to Western security would be greater if the war resumed, since each side is now more capable of inflicting damage on the economic infrastructure of the other, as well as third party countries in the region. Since the cease-fire, Iraq has obtained newer, longer range weapons (SU-24/FENCER fighter-bombers and missiles, for example), stockpiled more potent weapons (chemicals, for example), refurbished existing weapons, and taken the opportunity to train using lessons learned during the war. Although Iran will not have the capability for large-scale aggression for at least the next 5 years, a modest arms delivery schedule, including improved missiles, gives Teheran the capability to selectively attack Gulf States' economic targets.

The impact of a new series of attacks on Western economies would depend on numerous variables. With growing worldwide demand for oil and limited excess production capability, renewed attacks would pose serious problems. These problems would be exacerbated if the belligerents were to continually attack critical crude oil production nodes, in addition to individual tankers.

THE POSSIBILITY OF REGIONAL CONFLICT

Senator **Exon**. Under Operation Earnest Will (the reflagging of Kuwaiti tankers), 350 missions were carried out protecting 500 ships. The success of this mission has significantly reduced the direct threat to shipping in the area. How much longer will Operation Earnest Will be needed to ensure freedom of navigation?

General **Schwarzkopf**. The Iran-Iraq cease-fire is not a true peace and the threat of renewed hostility still exists. The passage of each day provides some additional degree of confidence in the cease-fire, but I cannot offer a prediction on a declared or lasting peace. With that background, I would tell you that Earnest Will could continue for the foreseeable future. It is not in existence solely for military reasons. The political gains from the U.S. presence in the gulf are enormous. We now enjoy a tremendous amount of respect and support from the Gulf Cooperation Council states (which is invaluable now and in the future) for staying the course in the gulf. Thus, the decision to terminate Earnest Will should not be purely a military one. We periodically evaluate the situation and have only recently reaffirmed the advisability on continuing the operation. I expect the next review to be in the early spring.

THE GULF COOPERATION COUNCIL (GCC)

Senator **Exon**. General Schwarzkopf, Kuwait, Saudi Arabia, Bahrain, and other nations created the GCC in 1981 to develop coordinated responses to regional threats, forming what is referred to as the Peninsula Shield Force. Does the United States wish these nations, through the GCC, to increase their role in cooperative economic, diplomatic and military security efforts? If so, how could such an alliance be strengthened?

General **Schwarzkopf**. The Gulf Cooperation Council (GCC) was formally established during the May 1981 Summit of Gulf Arab States. Membership is comprised of six Arabian Peninsula States: Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates (UAE), and Oman. Due to similar language, culture, and faith, the six GCC states have made considerable progress in a short period of time. Based upon this progress, the United States should support the GCC's goals of economic integration; coordination of foreign policy; defense cooperation; internal security; and social, cultural, and educational cooperation. The U.S. should continue to support the GCC in its efforts to improve regional stability by resolving disputes through diplomatic means. Key to our success in this area will be our continuing responsiveness to their legitimate economic, diplomatic and security concerns and needs.

ARMS SALES TO COUNTRIES IN THE CENTRAL REGION

Senator **Exon**. General Schwarzkopf, throughout your testimony you hit on two points that concern the sale of arms to countries in the Central Region: First, that the U.S. unwillingness to sell weapons to particular Middle East nations has forced these countries to buy from our allies or the Soviet Union; thus, we have lost both revenue from and influence with these nations. Second, all of the conflicts in the Central Region, have been fueled by a lethal arms race and the proliferation of Third World arms sales. How can we in Congress reconcile these two problems with mutually contradictory solutions?

General **Schwarzkopf**. It is not the acquisition of arms that is fueling regional tensions. Rather, the region's general insecurity and national concerns over legitimate security requirements are driving the acquisition of new, more sophisticated weapons. I am not advocating that we either condone this practice or contribute to a situation that leads to unconstrained arms sales; however, I am pragmatic enough to recognize that arms acquisitions will continue as long as there is regional insecurity and unrest. The number of willing sellers in the arms bazaar is unlimited. We must recognize that a restriction or ban on U.S. weapon sales does not mean sophisticated systems will not be available for sale in the region. If the United States does not provide needed defense systems to our friends, many of our allies and potential adversaries have shown their willingness and ability to take our place. While we cannot end the flow of advanced weapons into the region, we can gain some measure of influence over the systems introduced to the region through our own arms sales. Such sales can provide the United States a means to restrict the possible use of a given weapon system, limit the types of systems available, and influence the total number of weapons purchased. These sales also provide spin-off projects, such as related construction and in-country maintenance/training, all of which improve U.S. access and presence in the region.

We also gain an opportunity to affect the level of weapon technology introduced to the region by providing systems designed to meet our friends' legitimate security requirements and not weapons that possess capabilities beyond that which is needed for their self defense. The best example of this problem is in our failure to respond to Saudi Arabia's request for air defense aircraft. The Saudis wanted to purchase the F-15A to be used as an air defense platform, but were turned down. They then turned to the British and purchased the Tornado. Both the F-15A and Tornado are excellent air defense systems, but the Tornado, unlike the F-15A, is also excellent in the air-to-ground attack role as well.

An ultimate solution to this problem of weapons proliferation will not be achieved swiftly since it requires a program of coordinated economic, political, and military actions to reduce regional instability and lower the perceived need to acquire advanced weapons systems. Until stability can be achieved, U.S. arms sales, which match the proper equipment to legitimate defense needs, will be necessary. This approach will demonstrate our commitment to friends, yet have some measure of influence over the types and numbers of systems introduced into this volatile region.

BALLISTIC MISSILE PROLIFERATION

Senator Exon. Gentlemen, we all share with you the concern over ballistic missile technology proliferation. Even in the face of a reduced Soviet threat, the United States and its allies remain vulnerable. The recently demonstrated Iraqi 1,500-nautical-mile, three-stage missile, coupled with the capability of producing chemical weapons, is a destabilizing development which promises to worsen. I'd like to hear your thoughts as to how we can effectively work toward the non-proliferation of such technologies.

General Schwarzkopf. As long as the nations in the region perceive their security is threatened, they will continue to upgrade their weapons in an attempt to deter aggression and to provide for their self defense. As one nation acquires sophisticated and increasingly lethal weapons, the security concerns of its neighbors are heightened, driving them, in turn, to seek weapon improvements.

To break this cycle and begin to slow or reverse weapon proliferation, each country's perception of the region's stability and their own national security must be increased—not an easy task. The solution cannot be achieved overnight. It will require a coordinated program of political, economic and military actions to establish an atmosphere of mutual trust and confidence in the region. Politically, we must encourage major arms-supplying nations to abandon their uninhibited practice of providing sophisticated arms to the highest bidder without any consideration of the subsequent impact on regional stability. Concurrently, we must continue to demonstrate our firm commitment to protect and defend our friends in the region. Militarily, we can build the trust of regional nations by agreeing to supply the arms they need to meet their legitimate defensive requirements. This will improve stability while providing us a means to influence the number, level of sophistication, and logistical support for weapons introduced to the region. While restrictive arms transfer policies and declining security assistance levels are not preventing the proliferation of weapons, they are reducing our ability to temper or slow the rate at which arms are introduced. Only in an environment where the nations of the region can be confident that their national security is assured can real progress be made in ending arms proliferation.

General Lindsay. The value our Western societies place on free and essentially unlimited business pursuits, coupled with the expansion of commercial electronic and software development capabilities throughout much of the Third World, indicate absolute non-proliferation of ballistic missile and other technologies used in modern weapons is not likely achievable. Many basic technologies originally developed for the space and missile arena have been transferred to various commercial endeavors making their control extremely difficult at best. We can do little about that expansion at this point. We can, however, incorporate technical devices in the newer systems that are built by the United States, and possibly our closest allies, that would render those weapon systems inert if they fell into the wrong hands. Except for continuing the non-proliferation treaties being pursued by the administration through the State Department, we might be most successful in focusing intelligence attention to defining threats in this area and seeking technological solutions to counter these threats.

SOF DEPLOYMENTS

Senator Exon. General Lindsay, in your testimony you state that the Special Operations Command has made over 500 deployments to 59 countries. How are these deployments numerically split among security assistance, humanitarian assistance, counter-drug operations, and military hostilities?

General Lindsay. Since April 1987, special operations, civil affairs, and psychological operations forces have conducted more than 500 deployments to 59 countries in support of the five regional Commanders in Chief. The overseas operations generally fall into five operational categories, security assistance joint exercises, combined exchange training, unilateral training, counter-drug support, and operational support to unified commands. This last category, operational support, includes deployments which fulfill our responsibility to provide operational forces to the regional commands. Examples are naval special warfare deployments aboard the fleets and all contingency force deployments. The number of unit deployments by category since April 1987 are as follows:

Category: [Deleted].
Number: [Deleted].
Percentage: [Deleted].

COUNTERNARCOTICS EFFORTS IN THE ANDEAN RIDGE

Senator EXON. General Thurman, given that 70 percent of your fiscal year 1991 budget less security assistance for the Andean Ridge region is proposed for counternarcotics efforts, this element of the Southern Command, along with the Southern Cone region, exists more to combat a narcotics threat than a military threat. Has this resulted in an ambiguity among the military personnel as to what is their mission? Is the Andean Ridge region becoming more of an extension of the DEA and less a military force?

General THURMAN. There is no ambiguity among our military personnel to their role in the Andean Ridge region. While the general policy for military activities in the region has changed since September 1989, our soldiers, sailors, marines, and airmen are performing military tasks traditionally done in the Southern Command area of operations. They train host nation military and police in military skills and are not involved in law enforcement or interdiction operations. They are performing traditional military tasks such as flying aircraft and operating radars in activities that ultimately support host nation and U.S. law enforcement efforts. Their supporting role does not blur the distinction between U.S. military and U.S. law enforcement activities in the region.

Clearly the Drug Enforcement Agency has a significant role in the application of U.S. policy in the Andean Ridge region. U.S. Southern Command is committed to support DEA efforts in the region but continues its traditional role of training U.S. forces, supporting country team programs, and sustaining military to military relations which are all complimentary activities.

Senator EXON. How would you describe the efforts of each of the host nations in the Andean Ridge region in combatting the growth of drug crops at the source?

General THURMAN. This question can be best answered by other U.S. authorities but clearly eradication programs by themselves have not proven to be an effective way to control drug production in the region. Peru suffers as intractable insurgency problem which permeates the prime coca growing areas and eradication efforts are at odds with its other security needs in those areas. Bolivia suffers one of the region's lowest levels of economic performance and is seeking economic alternatives to offer the growers of coca. A coordinated counternarcotics strategy must address coca production units economic context while directly attacking the clearly illegal processing and trafficking in drugs.

Senator EXON. What sort of initiatives can we expect out of the next week's drug summit in Colombia between the U.S. and the Andean nation's?

General THURMAN. The summit is likely to provide statements from the governments of the Andean region which will clarify their support for U.S. counternarcotics initiatives. We expect each of the three Andean Ridge presidents to use the forum to highlight their economic problems before establishing a consensus agreement with President Bush. U.S. Southern Command stands ready to support country programs as approved for the region.

NUCLEAR NON-PROLIFERATION

Senator EXON. I'd like to hear your thoughts as to how we can effectively work toward the non-proliferation of such technologies.

General THURMAN. Brazil, the Third World's largest arms exporter, is also involved in rocket and rocket fuel production. The modest space program Brazil maintains is limited to the [deleted] by the end of the century. This is significant in that Brazil refuses to sign the 1968 Treaty of Non-Proliferation of Nuclear Weapons.

[Deleted] being a nonsignatory to the treaty, leaves wide open Brazil's options for their production—and the capability to launch them.

[Deleted] for the production of the two-stage, medium-range ballistic missile, Condor II. [Deleted] Considering the current state of the Argentina economy, and other problems, ultimate project success appears doubtful in the short- to mid-term.

An industrial power in its own right, we would be hard-pressed to dissuade the government of Brazil from developing nuclear weapons. Our only option is to [deleted] Argentina's progress is less threatening for now, but the government's involvement with Iraq could result in technology transfers which could involve chemical weapons.

Questions Submitted by Senator Carl Levin

PROGRAM TERMINATIONS

Senator Levin. General Schwarzkopf, the fiscal years 1990 and 1991 budgets have proposed the termination of 20 conventional weapons systems, including some that are eagerly sought after by our Persian Gulf area friends. Would you comment on the relationship between being able to politically influence nations in that region and the ability to provide defense systems to them?

General Schwarzkopf. While the events in Eastern Europe and the Soviet Union are reducing the threat to our own national security, they are not reducing, to a similar degree, the threats perceived by our friends in Southwest Asia. Although, with help from our friends and allies, we are making progress in improving regional stability, the area remains unpredictable and volatile. One way we can improve the stability and security of friendly nations is to make U.S. equipment accessible for their legitimate defensive needs. By providing needed systems, training teams and follow-on services, we increase our regional access, presence and interoperability with these countries. It is important to note, however, that while our friends generally prefer to buy U.S. equipment, they are fully prepared to and do purchase arms from others when we refuse to provide the systems they need for their own security.

We must continue to work with our friends to maintain peace and stability in the region. To the extent that we make good on our commitments, we gain their confidence, build our credibility, and establish strong political relationships. Hence, our ability to provide defensive systems—a measure of our continued commitment—directly relates to their perception of our worth as a long-term defense partner.

Senator Levin. How important is it to the United States to be able to influence the tempo of a war in that region by holding the reins of support and spare parts for U.S. equipment that we have sold to nations that might be involved in a conflict?

General Schwarzkopf. It is very important that the United States be able to influence conflicts which could escalate to a level that threatens U.S. interests. Such conflicts must be deterred at best, controlled at worst.

[Deleted.]

The Iran-Iraq war demonstrated both the lethality of modern conflict and the need to ensure access to supply sources to operate today's advanced weapon systems.

[Deleted.]

Senator Levin. How will the programs slated for termination in these years' budgets affect our capabilities for overseas sales and political influence in the region?

General Schwarzkopf. Continued availability of new weapons systems and support of older ones is important to our friends and is a direct reflection of American commitment to the region. U.S. arms sales are a primary instrument in implementing USCENTCOM's peacetime strategy. They support legitimate defense needs of moderate, regional states. These arms, and U.S. personnel who give training and technical support for them, provide U.S. presence and access and in turn, facilitate force projection and interoperability. Countries in the USCENTCOM area of responsibility (AOR) prefer to acquire U.S. arms. We provide quality state-of-the-art materiel which is supported by strong logistics and training pipelines.

Program cutbacks or terminations without substitutes of similar or better systems may result in several reactions. Program cutbacks increase unit costs and acquisition time. Higher costs can lead to less buying power and result in fewer or drawn-out sales. Program termination will likely drive our friends to acquire systems from other countries. Numerous suppliers exist who will sell quality equipment, often at less cost and with fewer restrictions. For example, the French Aster 30 missile could substitute for Saudi Arabia's interest in the Patroit; both France and Great Britain have Laser homing missiles that could serve as alternatives to the Hellfire for Jordan, Bahrain, Oman, and Saudi Arabia. Saudi Arabia has requested and Congress has approved the sale of 315 M1A2 Abrams tanks at a total program cost of $3.1 billion. Saudi Arabia, as well as Kuwait and UAE, could substitute the Osorio, M–84, Chieftain or Leopard for the M1A2.

CV-22 PROGRAM TERMINATION

Senator **Levin**. General Lindsay, could you provide your opinion on how the program terminations proposed in the defense budget will affect your capabilities?

General **Lindsay**. Of the programs terminated in the defense budget, the loss of the CV-22 will have the greatest potential impact on special operations capability. The 1987 SOF Airlift study identified the lack of long-range SOF infiltration/exfiltration capability as a major shortfall. The CV-22 was to provide that capability. Clearly, the world situation is changing rapidly and the command has initiated a Joint Mission Analysis (JMA) to reassess future special operations needs. It will be difficult to quantify these requirements precisely until the JMA is completed. However, it appears that long-range infiltration/exfiltration will remain a serious problem.

FISCAL YEAR 1991 PROGRAM TERMINATIONS

Senator **Levin**. General Thurman could you provide your opinion on how the program terminations proposed in the defense budget will affect your capabilities?

General **Thurman**. As Secretary of Defense Cheney has said, programs identified for termination in the fiscal year 1991 President's budget were those that are no longer necessary or are of low priority, given the future fiscal realities. In view of the threat and environment in Latin America, most of the programs identified for termination have limited applicability in my theater. Therefore the impact on SOUTHCOM's capability is minimal.

JUST CAUSE—F-117A

Senator **Levin**. General Thurman, the Panama invasion marked the first time the U.S. used the F-117 Stealth Fighter Plane in combat. What special circumstances were there in Panama that warranted the use of this aircraft?

General **Thurman**. [Deleted.]

Senator **Levin**. What were the odds that this aircraft could have been shot down?

General **Thurman**. The Panamanians had virtually no air defense capability in the target area. Therefore, I would rate the probability of the F-117A aircraft being shot down as very low, if not impossible.

Senator **Levin**. How sophisticated were the air defenses in Panama that the F-117A encountered? How would these air defenses rate against other nations such as Libya?

General **Thurman**. The air defenses around Rio Hato included small arms and the ZPU-4 non-radar guided anti-aircraft guns. There was a possibility that the PDF could have acquired some SA07 IR-guided missiles but none were fired nor found. Libya's air defense system is significantly more sophisticated with radar guided and anti-aircraft guns, surface-to-air- missiles and interceptor aircraft.

Senator **Levin**. Were there other aircraft in the U.S. inventory that could have performed the same mission?

General **Thurman**. [Deleted.]

Questions Submitted by Senator Edward M. Kennedy

GUN COLLECTION PROGRAM IN PANAMA

Senator **Kennedy**. I am interested in the results of the gun collection program undertaken by the U.S. military forces as a part of Operation JUST CAUSE in Panama, and I hope that you will be able to supply a summary of the program for the committee including answers to the following questions:

How many and what types of weapons has the program yielded and at what cost?

General **Thurman**. Of 51,627 weapons obtained by U.S. Military Forces during Operation JUST CAUSE, 10,657 were a direct result of the weapons for cash program. A breakdown by type of weapon:

Type	Number
Grenades	2,417
Rocket Propelled Grenades	654
Pistols	1,694
Shotguns	343
Rifles	5,549

The total cost of the "weapons for money" program was $1,003,547 as of 28 February 1990. The maximum paid was $25 for large quantities of ammunition, $25 for each hand grenade, $50 for each rocket propelled grenade, $100 for each pistol, $125 for each military shotgun, and $150 for each automatic rifle and mine turned in; $5,000 for a large cache.

Senator **Kennedy**. How large was the estimated pool of weapons targeted by the program?

General **Thurman**. We estimated 12,000 to 18,000 weapons which we could target in the weapons for cash program.

Senator **Kennedy**. What statutory or other legal authority has SOUTHCOM relied on to implement the program?

General **Thurman**. The authority to obligate funds for this program was received from the Secretary of the Army Comptroller. Secretary of the Army contingency funds were used.

Senator **Kennedy**. Has SOUTHCOM or the Department of Defense engaged in any similar programs previously?

General **Thurman**. SOUTHCOM has not directly engaged in a "money for weapons" program in the past. Components of the command have assisted other countries within the theater, notably El Salvador, Colombia, and Bolivia, in implementing a program to disarm insurgents within their territory. This technique has been used in recent history with various levels of success in the British counter-insurgency action in Malaysia, by U.S. forces in Vietnam and Grenada, and the Aquino government in the Phillipines.

Senator **Kennedy**. How were the amount of remuneration and the location and operation of collection areas determined?

General **Thurman**. Several factors were used to determine the amount paid for each type of weapon: (a) the perceived value of the weapon, (b) the lowest amount needed for payment that constitute an incentive to turn in the weapons, and (c) to avoid fueling the black market in weapons. Sites for turn in were selected in areas that could be secured, while near enough to the population to afford easy access. Government or community buildings were selected to project an aura of official sanction to the activity. The preferred locations were fire stations because they were looked upon as apolitical and were already gathering places for the local populace. In other instances, police stations and churches were used.

Senator **Kennedy**. How was the program advertised to the Panamanian people?

General **Thurman**. A full range of notification techniques were used, ranging from face to face communication with the people, loudspeaker broadcasts, leaflets, and video and audio announcements on local stations.

Senator **Kennedy**. How did you store and dispose of the weapons?

General **Thurman**. The weapons were transported from the collection sites by guarded convoy to two central receiving points, a guarded warehouse at Albrook Air Station for firearms and the ammunition storage facility at Rodman Naval Station for ammunition and grenades. These items were inventoried, and those not originally found suitable for police use were locked in containers and shipped to depots in the United States. Letterkenny Army Depot was the receiving point for firearms. Selected weapons and ammunition, pistols, shotguns, and rifles have been retained in, or will be returned to Panama for issue to the Panamanian National Police to support their operations.

Senator **Kennedy**. What does the U.S. Government plan to do with the weapons that have been acquired?

General **Thurman**. The weapons retained in Panama have been or will be issued to the police force to support their operations. The weapons that were sent to the United States will be used in various ways. For example, AK-47s will be used for foreign weapons training in such programs as Red Train; some M16A1 rifles will be reconditioned and used in the Foreign Military Sales Program; some pistols, rifles, and shotguns are being reconditioned and returned for Panamanian police use; and some weapons will be decommissioned and provided to service museums.

Senator KENNEDY. What steps were taken to prevent compensated individuals from using the proceeds to purchase other weapons?

General THURMAN. The program was initiated on a broad scale to encourage a mass turn in of weapons. The remuneration for each weapon was intentionally set at a level considered to be lower than black markets. Additionally, intelligence assets were targeted toward illegal weapons sales and caches. Finally, a public information campaign against the possession of unauthorized weapons was conducted.

Senator KENNEDY. How successful was the program?

General THURMAN. In my view, the program was a success and the money well spent. It clearly made a significant reduction in weapons that could have been used by insurgents, anti-government, or criminal elements within Panama. However, there are still weapons available to the population. Weapons continue to be found by both U.S. and National Police elements. Each report of caches and armed civilians are checked and acted upon.

QUESTIONS SUBMITTED BY SENATOR JOHN GLENN

LONG-RANGE EXFILTRATION AIRCRAFT

Senator GLENN. In your statement regarding your goals for improving SOF combat capabilities in the 1990s, you note that your highest priority for modernizing your force is: ". . . a long-range aircraft designed to carry SOF troops into and out of unfriendly territory."

Would you please detail for the committee why you believe a long-range exfiltration aircraft is critical to the overall combat capability of the SOF forces?

General LINDSAY. The long-range exfiltration of Special Operations Forces from hostile/denied territory continues to be a significant limitation to SOF capability. Fixed-wing assets currently or projected in inventory (MC-130E/H Combat Talon) are normally unsuitable because they require a secure, prepared surface landing zone. Available rotary wing assets (MH-53/CH-47) are more suited to exfil operations but are slower and have insufficient range without enroute air refueling. This increases mission complexity placing forces at greater risk due to higher probability of detection.

SUITABILITY OF THE V-22 TO SOF MISSION REQUIREMENT

Senator GLENN. Last year you told this committee that the V-22 could satisfy Special Operations Command's long-range aircraft requirement and that procuring the V-22 was one of your highest priorities; however, this year your statement indicates you now are assessing how to develop and procure a new aircraft for the SOF mission. In this budget environment I doubt that a majority of this committee would support the development of yet another SOF aircraft, especially when you consider how well the V-22 development program is going—the Navy has now flown a total of 75 flights on 3 different test aircraft—and that $2.2 billion of the required $2.6 billion development costs have already been approved.

What is your current assessment as to the suitability of the V-22 to meet the SOF mission requirements? Accepting that the SOF need is well justified, why should we build a new SOF aircraft when the V-22 is immediately available and arguably mission capable?

General LINDSAY. The V-22 is ideally suited to SOF mission requirements. It offers the necessary agility and capability required in all SOF missions by combining the speed and range of a fixed wing aircraft with the hover/vertical takeoff and landing capability of a helicopter. The CV-22 Special Operations version incorporates air refueling, terrain following/terrain-avoidance, and electronic countermeasure capability that enables it to penetrate hostile territory to infiltrate or extract SOF forces. A new SOF aircraft with these characteristics is required only if the CV-22 aircraft is not acquired for Special Operations.

MANPOWER PERSONNEL

Senator GLENN. General Lindsay, General Schwarzkopf, General Thurman, as Chairman of the Armed Services Subcommittee on Manpower and Personnel, I would be very interested in your assessment of our personnel readiness and quality of life programs. Last year in the fiscal year 1990 Defense Authorization Act, we took a number of steps to strengthen these programs, including a 3.6 percent pay raise, a comprehensive revision of aviator career incentives, major changes in medical incentives, reduced premiums for the Survivor Benefit Plan, new child care provisions, and many other measures designed to enhance combat readiness while improving the quality of life of our service members and their families.

I would appreciate your assessment of how these enhancements are working overall, and your suggestion as to other matters that the Manpower Subcommittee might address along those lines.

General **Schwarzkopf**. As stated in my witness statement, USCENTCOM strongly supports all initiatives directed at attracting and retaining high caliber personnel mandated by our demanding mission.

Significant strides in improving the quality of life for our service members have been achieved in the past decade. In view of reduced end strengths and budget cuts, we are increasingly concerned that previous gains may be diminished. A smaller military will require proportionately greater investments in terms of pay, entitlements, and quality of life programs to maintain a quality force.

The 3.6 percent pay raise falls short in preventing further erosion of pay comparability. The Employment Cost Index continues to exceed military pay, and there currently exists a pay comparability discrepancy of approximately 11 percent. This discrepancy may have an adverse impact on retention of a quality force with an ultimate impact on warfighting readiness. As a sidebar, the DOD Pay Cap presents a serious problem for our Security Assistance Organizations in retaining quality Foreign Services National employees. Ultimately, we would like to see legislative action which removes the pay cap and allows comparability of pay between DOD Foreign Service National employees and prevailing local inflation rates.

The efforts of the Subcommittee on Manpower and Personnel to improve the quality of life for our service members have directly contributed to our current high state of military readiness. Your continued positive efforts will be crucial in maintaining a quality force.

General **Thurman**. I view these personnel readiness and quality of life programs as premiums whose value in maintaining a quality force we must never lose sight of. Our servicemen and women and their families give so much of themselves to the causes of freedom, and the preservation of democracy, it is essential that we in turn ensure they enjoy those quality of life programs and enhancements Congress can provide.

You have asked for my assessment of how well steps taken last year to strengthen these programs are working overall. Personally, I believe these programs have never been stronger, nor better received by our servicemen and women and their families. An increase in pay, is always welcomed by our people in uniform. I applaud the work of the Congress in ensuring the pay raise was in the hands of our service members at a time they so richly deserved recognition for their efforts. However, the fiscal year 1990 pay increase of 3.6 percent hardly keeps pace with the rate of inflation, which is now almost 5 percent, and places our military members' pay approximately 11.4 percent behind that of the private sector. The projection for fiscal year 1991 is not encouraging in that a 3.5 percent pay increase will leave us 12.7 percent behind the private sector. We need your assistance to close that gap if we intend to maintain a strong, volunteer force that enjoys a reasonable quality of life.

In regard to the Aviator Career Incentives, my assessment is that the program has helped increase the retention rates somewhat among those so easily swayed to trade in their service training for the lure of the higher paying careers of the civilian air industry, however, the results are still not outstanding. The services are instituting initiatives of their own, such as allowing pilots to have greater influence in their assignment process, yet we continue to see an exodus of young aviators from the services. We need to do more to maintain a higher level of personnel readiness in our aviation units.

I believe the jury is still out on the reduced primeness for the Survivor Benefit Plan. Although this plan does not go into effect until 1 March 1990, the potential impact on savings for our service members looks promising. We must now do our part to educate our people on the provisions of the new plan and how it impacts them.

Finally, I would ask Congress to continue to work with those States that do not permit the paying of in-State tuition fees for our servicemen and women and their families pursuing higher education while stationed in other than their home States. This form of appreciation for the sacrifices we make every day by those States which have adopted the in-State tuition is truly appreciated and extremely well received. I urge your support to extend this program to all 50 States.

Senator **Glenn**. General Lindsay, as Chairman of the Armed Services Subcommittee on Manpower and Personnel, I would be very interested in your assessment of our personnel readiness and quality of life programs. Last year in the fiscal year 1990 Defense Authorization Act, we took a number of steps to strengthen these programs, including a 3.6 percent pay raise, a comprehensive revision of aviator career incentives, major changes in medical incentives, reduced premiums for the Survivor Benefit Plan, new child care provisions, and many other measures designed to enhance combat readiness while improving the quality of life of our servicemen and women and their families. I would appreciate your assessment of how these enhancements are working overall, and your suggestion as to other matters that the Manpower Subcommittee might address along those lines.

General **Lindsay**. The initiatives taken by the Senate Armed Services Committee to improve combat readiness and quality of life are difficult to evaluate from USSOC perspective. However, our best assessment of the initiatives follows. Certainly the 3.6 percent pay raise helped, but the salaries of my soldiers, sailors, and airmen again lost ground to inflation.

The changes to the Aviation Career Incentive Pay (ACIP) properly showed our concern for officers, but did not signal any significant concern for our enlisted crewmembers. Particularly in special operations aircraft, the enlisted crew members are very important to mission success. Enlisted ACIP stayed at a maximum of $150 per month, while the average officer ACIP maximum increased by $250 to $650 per month.

Certainly, the recomputation of survivor benefit plan premiums will help our retirees and enhance the perception that the country's pledge to take care of retirees will continue to be supported.

Over the long term, all of the measures implemented by the subcommittee will have a positive effect.

We support the establishment of enlisted severance pay with the same criteria as officers. We view this as a visible enticement for our quality personnel, who would be separated from service due to budget decisions, to stay onboard despite facing a potential reduction in force. Operation JUST CAUSE illustrated that if you pay for a quality force then you will get a quality force. We need to entice the quality service member to stay on board.

Last, special operations depends on recruitment of young, strong, and intelligent individuals. As the services drawdown manpower, special operations requirements for these special individuals will continue to grow. We will need extraordinary recruitment efforts and incentives to obtain the select few who can become special operators.

Questions Submitted by Senator John W. Warner

COMMUNICATIONS INTEROPERABILITY

Senator **Warner**. It appears that, in Operation JUST CAUSE, we did not experience the kind of communications problems we had in Grenada and in other operations. General Thurman, I believe you told us when we were in Panama that you, members of your staff and others spent almost all day "deconflicting" potential communications problems. If we had to execute one of our contingency operations "off the shelf" without the luxury of time for such "deconflicting," how well could we expect our communications equipment and procedures to work?

General **Schwarzkopf**. We have given considerable thought to the problems inherent in concentrating forces quickly to execute our contingency plans. Communications plans, providing detailed instructions regarding joint communications procedures, net structures, frequency assignments, and communications security (COMSEC), are an integral part of each contingency plan. The component commands are required to hold the COMSEC materials (Intertheater COMSEC Package) designated in the contingency plans for use on joint communications links. While some degree of coordination, or as you say "deconfliction," will always be necessary to ensure that unavoidable last-minute changes are addressed, I am confident that past problems of incompatible equipment, incorrect COMSEC materials and differing procedures among services, have been overcome. We can expect our communications to work well. Our exercises support my confidence in this regard.

Senator **Warner**. It appears that, in Operation JUST CAUSE, we did not experience the kind of communications problems we had in Grenada and in other operations.

General Thurman, I believe you told us when we were in Panama that you, members of your staff and others spent almost all day "deconflicting" potential communications problems.

If we had to execute one of our contingency operations "off the shelf" without the luxury of such time for such "deconflicting", how well could we expect our communications equipment and procedures to work?

General THURMAN. In response to your question regarding how well we could expect our communications equipment and procedures to work in the execution of an "off the shelf" plan without the luxury of time to deconflict potential communications problems (principally frequency assignments), I must respond that there are mechanisms in place to ensure mission success. However, this issue is really a two-headed dragon. First, there are a number of critical war fighting documents available to support any operation. They include the Joint Tactical Command and Control architecture provided by the Defense Communications Agency, Annex K to the executed OPLAN, the Unified Commander's Joint Communications Plan (JCP), the Unified Commander's Joint Communications-Electronics Operating Instruction (JCEOI), and the Intertheater COMSEC Package (ICP). The key to communications success lies in the refinement of these documents during training periods prior to OPLAN execution. During these periods, it is essential for communicators from the deploying JTF, other supporting commands, and the supported CINC to streamline communications procedures. Items to be stressed during these evolutions include, but are not limited to, hardware interoperability ensured by comparing joint tactical equipment strings between each Annex K and the Defense Communications Agency's architecture, JCEOI refinement, area frequency deconfliction, Over The Air Rekeying (OTAR), and hands on practice with the ICP. The supported CINC's communications directorate, J6, must take the lead in coordinating these issues if the entire plan is to work.

The second issue lies in the degree of emphasis field commanders place on C3 planning and training. Unfortunately, this area is often shortchanged during training cycles. Field commanders can ill afford C3 shortcuts. To overcome this potentially hazardous situation, I directed my J6 to closely conduct liaison with JTF staff members to ensure all deploying units were familiar with Operation Urgent Fury after action reports especially pertaining to C3 shortfalls. This proactive measure went far to ensure the same mistakes were not duplicated.

To summarize, the mechanisms are in place to support any "off the shelf" OPLAN. The key to their successful implementation lies in the leadership that manages these mechanisms. It must start at the top, it must be flexible, it must be proactive in all routine planning efforts, and it must use the supported CINC's J6 directorate as the focal point for C3 management. Once this is accomplished and you have planned your fight, the only prudent measure remaining is to fight your plan. Operation JUST CAUSE has proved the wisdom of this methodology.

General LINDSAY. Contingency planning is situational dependent. The Joint Operations Planning System (JOPS Vol. 1, 2 and 4) provides frameworks for deliberate planning and crisis planning.

Once the forces involved in a contingency are identified, communications planners deconflict any equipment, procedural and COMSEC interoperability problems. Communications must follow command and control. Procedural problems occur when command and control lines change and communications planners are not actively involved in the evolving communications requirements generated by these changes.

In response to your specific question, we believe that a joint SOF operation with the complexity of JUST CAUSE could be planned and executed in a short period of time incurring minimal communications problems. USSOCOM's standing Joint Special Operations Task Force (JSOTF) possesses highly skilled communications specialists able to effectively plan and execute "off the shelf" contingency operations while enroute to a potential operations area. As the operation grows and conventional forces deploy, close coordination must be established and maintained between all communications planners to ensure equipment and procedural compatibility. USSOCOM communications equipment and procedures will work well if we had to execute one of our contingency operations "off the shelf" providing we involve joint communications planners from each organization at the outset of the planning cycle.

MINESWEEPING IN THE PERSIAN GULF

Senator WARNER. The U.S. experience with regard to mines and minesweeping the gulf was not always smooth, and now the last U.S. minesweeper has departed the gulf. Would you share with us, please, your own views on the role and value of these minesweepers?

General **Schwarzkopf**. The MSOs have served several important roles in the gulf. First and foremost, they swept minefields planted by the Iranians. As the world recognized with the actions of the Iranian ship, the *Iran Ajar*, minelaying was a major Iranian tactic. Our MSOs were responsible for clearing these fields, while concurrently sweeping safe navigation routes (called Q-Routes) through potentially mineable waters. They then maintained these routes by frequently revisiting to ensure that new mines had not been planted and that the routes were safe for navigation by commercial vessels. The minesweepers were a visible demonstration of U.S. presence, and a valuable tool in enhancing the mine countermeasures training of Gulf States. The success of these MSOs quickly and positively influenced the confidence of shipping companies when using the designated routes. Our own mine countermeasures experience has also been greatly expanded and our relations in the region strongly enhanced. In the future, hostile forces may again challenge our freedom of navigation and the flow of oil to the Free World. While we have redeployed our MSOs out of our AOR, we must continue to develop and maintain mine countermeasure forces that are rapidly deployable and sustainable, thereby providing the capability to quickly respond to any challenge to U.S. interests in the region.

JOINT OPERATIONAL HEADQUARTERS FOR CONTINGENCY OPERATIONS

Senator **Warner**. For Operation JUST CAUSE, the XVIII Airborne Corps Headquarters functioned as the Joint Task Force Headquarters. This seemed to work fine in this case, but this is still an ad hoc arrangement.

If we had a similar mission elsewhere, we would be faced again with putting together, on an ad hoc basis, a Joint Operational Headquarters.

Should we consider forming at least one Joint Operational Headquarters in each unified command for planning and execution of such contingency operations?

General **Lindsay**. In this period of diminishing manpower and increased budget constraints, the USSOCOM staff sees no requirement for establishing a Joint Operational Headquarters in each unified command. XVIII Airborne Corps, augmented with appropriate Air Force and Navy staff elements, is an ideal contingency joint task force (and is very cost effective). In addition, the USSOCOM staff has been working diligently with the other unified command staffs in the development of deployable augmentation "packages" tailored to meet the requirements of the theater Special Operations Commands (SOCs). These "packages" will be comprised of selected personnel from USSOCOM and component headquarters to provide the SOCs with an adequate command and control structure for Special Operations Forces. Moreover, our counterterrorist joint task force is in fact a standing Joint Special Operations Task Force that can react to virtually any special operations requirement.

General **Schwarzkopf**. USCENTCOM supports standing, i.e., formed and manned, Joint Task Force Headquarters within a unified command consistent with the command's mission and/or threat within the AOR. USCENTCOM presently has one operational JTF Headquarters—Joint Task Force Middle East—primarily oriented to planning and conducting maritime operations and contingencies. With augmentation, the JTFME Headquarters can conduct combat operations across the full spectrum of conflict. Although no additional operational JTF Headquarters are currently necessary within our AOR, detailed plans to organize and deploy such a command element have been addressed in our Readiness and Deployment Standard Operation Procedures and tested and evaluated during a recent JCS no-notice interoperability exercise.

General **Thurman**. Use of the XVIII Airborne Corps Headquarters as the basic element of JTF—South during preparation for and execution of JUST CAUSE was not an "AD HOC" arrangement in it's truest sense. JCS, in July 1988, approved HQ XVIII Airborne Corps as the Tactical Command and Control Element for any major contingency operation that might ensue in Panama requiring a multi-division deployment of U.S. Forces. The XVIII Airborne Corps, therefore, had participated fully in the planning effort that resulted in JUST CAUSE. The Corps Headquarters had also taken the opportunity to make multiple on-site reconnaissance visits and had done extensive rehearsals. The Air Force, Navy and Marine elements of the Headquarters had been identified early in the process and had established a healthy, habitual relationship. In summary, though, HQ XVIII Airborne Corps is not a standing JTF, it was understood through the formal JCS planning process that it would be the core for the warfighting JTF HQ required in any contingency of the magnitude being estimated—thus, certainly, not AD HOC. Finally, HQ XVIII

Airborne Corps' habitual business is preparing and executing operations of the JUST CAUSE sort—experience that prepared them to function quite well.

NEED FOR JOINT OPERATIONAL HEADQUARTERS

Senator WARNER. Should we consider forming at least one Joint Operational Headquarters in each unified command for planning and execution of such contingency operations?

General THURMAN. USSOUTHCOM currently has, under the J3, an organization called the Deployable Joint Task Force (DJTF). The advantages of having my own deployable headquarters are many: They are directly involved with the development of all my war plans; they know the area of operations and can practice their tasks in the area; they form a cadre under which I can place troops deployable in the theater for exercises; and they can and have formed close ties with our theater allies—many are proficient in Spanish. However, the DJTF will never be sufficiently robust to command and control a multi-division operation. The scope of Operation JUST CAUSE and, in fact, of possible operations for which we have operational plans written, require a command and staff which include flag rank officers. The DJTF is invaluable as a nucleus for planning and providing command and control for brigade or multi-battalion exercises. The Contingency Corps Headquarters with appropriate multi-service participation is the correct answer for the larger operations.

CARIBBEAN BASIN RADAR NETWORK (CBRN)

Senator WARNER. Last year, Admiral Ustick described the potential of the CBRN in counternarcotics efforts as well as contributing in general to regional security. What is the current status of CBRN?

General THURMAN. CBRN is a series of radars encircling the Caribbean Basin to provide air surveillance information to the U.S., Caribbean, Central and South American countries. The program provides for eight new radar sites, netting of five existing radars into the system, and a Region Operations Center in Panama. The first new radar in the program is operational (Panama). The radar in the Dominican Republic is expected to be operational by the end of April 1990. The first of two Colombian radars is under construction and is expected to be operational in July 1990. Construction of the second site in Colombia and sites in Honduras and the Cayman Islands will begin this summer. Operational capability is expected in Spring/Summer 1991. Negotiations with Venezuela and Costa Rica are on-going. Existing radars in Key West, Puerto Rico (2), and Guantanamo are operational. Integration of the existing Honduran-owned radar is under negotiation.

Additional requirements to the program provide for a second CBRN radar site in Venezuela and integration of existing host nation radars in Venezuela and Colombia. Under the currently planned program, no country has turned down the offer for installation of a radar in its territory. CBRN will provide an increased ability to surveil Caribbean airspace with significant coverage of medium and high altitude traffic in the Caribbean region. Hence, the development of CBRN will provide host nations with the capability to counter drugs and arms trafficking.

Construction of the Southern Region Operations Center (SROC) facility at Howard AFB was completed in March 1988. Operational capability in a manual configuration began on 1 April 1988. Automation of the SROC is expected in June 1990 when installation of the Autotell Command Center equipment will be completed.

QUESTIONS SUBMITTED BY SENATOR STROM THURMOND

AERIAL RECONNAISSANCE, SURVEILLANCE, AND TARGET ACQUISITION

Senator THURMOND. Did you have any shortcomings in the area of aerial reconnaissance, surveillance, and target acquisition?

General THURMAN. There are two problems in the area of aerial reconnaissance: There is no [deleted] capability, and there is no [deleted] platform.

There was no [deleted] collection capability during JUST CAUSE. The theater imagery collection platform used during JUST CAUSE was the [deleted] platform. [Deleted] from 20–30 December 1989 in support of U.S. Forces in Panama. The [deleted] mission duration, however to speed the delivery of photo products to operational units, the [deleted] a mission and download film to be processed and exploited. Under the best of conditions, it [deleted] from the start of a mission to provide the first finished products to the operators. A [deleted] would have greatly reduced the time required to provide imagery products to operators. Once a target was acquired by the system it could have been [deleted] where it could have been [deleted] and been given to operational forces. This could have eliminated the time required for [deleted] product.

There was no dedicated platform available to perform [deleted]. The [deleted] system that can be used at night, but it was decided the [deleted] mission would provide more intelligence than a nighttime mission. There were neither the [deleted] during both the day and the night. Also available was an [deleted] system called IGUANA mounted on a helicopter. IGUANA was useful, but was limited by its [deleted]. It would have been useful to have a platform that could have surveilled an area [deleted].

Ongoing programmatic efforts (e.g., [deleted] platforms) will close the gap on satisfying these requirements.

UNMANNED AERIAL VEHICLES (UAVS)

Senator THURMOND. The Low Intensity Conflict environment seems well suited for the use of unmanned aerial vehicles (UAVs). In this particular instance, would the use of a close-range UAV have made a difference?

General THURMAN. [Deleted.]

Senator THURMOND. What other ways would you envision employing (close range) UAV's in the Southern Command Region?

General THURMAN. [Deleted.]

QUESTIONS SUBMITTED BY SENATOR JOHN McCAIN

Senator McCAIN. You refer to your command as a bargain command. What do you mean by this?

General SCHWARZKOPF. USCENTCOM is a bargain command not only with respect to our operating costs but also from the benefits to U.S. security derived from our focus on Southwest Asia (SWA). USCENTCOM provides the essential single-focused effort on this region's unique security requirements. We help safeguard the Nation's vital interests in a volatile region, encouraging stability and maintaining access to vast oil reserves.

Within SWA, regional instability provides the potential for conflict and is the greatest near-term threat to U.S. interests. This was most visibly demonstrated when the Iran-Iraq conflict spilled over national boundaries and both sides began indiscriminate attacks on shipping in the Persian Gulf, threatening both the flow of oil to the West and freedom of navigation in international waters. With its focus on SWA, USCENTCOM is able to precisely determine the requirements necessary to protect U.S. interests, while building strong military-to-military relationships through a program of security assistance, visits and exercises. When viewed from a strictly monetary perspective, the relative cost of USCENTCOM is very small. USCENTCOM's operating costs are low because we have few assigned forces and no permanently forward based air or land forces in the region. Rather, we rely on a common pool of units which can be used by various CINCs when responding to contingencies. The fiscal year 1991 budget for the operation of the headquarters is $1.2 million, while the projected cost for all USCENTCOM unique programs is $377 million. For the limited funds expended, USCENTCOM provides focused planning, improved regional relations, and increased deterrence for an area of the world that is vital to U.S. interests—in sum, a bargain command.

STRATEGY AND FORCE REQUIREMENTS

Senator McCAIN. To what extent are the changes taking place in Soviet and East European military capabilities affecting your current strategy and force requirements? What overall changes, if any, do you feel are needed in our power projection and maritime strategy over the next few years, and to what extent are these changes funded in the fiscal year 1991 budget and the current FYDP?

General SCHWARZKOPF. Although changes in the military structures of East European forces are substantial, both in terms of the numbers and structure of national forces immediately available to threaten the West, Soviet forces in the Southern Theater of Military Operations (STVD) have not changed significantly—nor has the Soviet naval presence been noticeably reduced in either the Red Sea or Persian Gulf. While the overall capabilities of STVD forces remain essentially the same, the extensive changes occurring within Eastern Europe and the Soviet Union indicate that the Soviets may be less tempted to initiate a conflict in the region. Therefore, USCENTCOM has shifted the primary focus of its planning efforts from [deleted] to preparing to respond to contingencies resulting from the spillover of regional conflicts that could threaten U.S. interests or American lives.

The potential for regional conflicts spilling over their boundaries was most visibly demonstrated when the Iran-Iraq war expanded beyond its national boundaries, threatened the free flow of oil from the Persian Gulf and required the commitment of U.S. forces to protect our interests. The total force program requirements for this change in focus are still being determined, but after initial review the costs appear to be reduced.

As before, USCENTCOM will continue to rely on power projection assets to assure our ability to maintain a credible peacetime presence and to provide effective, flexible responses in crises. Carrier battle groups, surface action groups, mine countermeasures systems and amphibious shipping with embarked Marine forces are essential for power projection. Equally critical are access to regional facilities and strategic lift, supplemented by appropriate pre-positioned stocks. The President's fiscal year 1991 budget proposal will provide the funds necessary to support our current operations. The remaining years of the current FYDP will be adjusted as our programmatic requirements are further defined during the planning process.

General **Thurman**. SOUTHCOM Strategy recognizes changing global dynamics and envisions a Soviet/East European shift to focus on their own internal problems.

We see less Soviet/East European power projection capabilities which possibly could influence the Southern Theater of operations.

Reduce support to Nicaragua and its export of revolution.

Reduced Soviet/East European support for Cuba/Nicaragua/FMLN.

Rising threat from drug production and transshipment as well as illegal immigration and political instability caused by local exportation of revolution and socioeconomic problems within the theater are primary concerns.

Force Requirements:

Increase size of MILGPs in direct proportion to counternarcotics activity within individual countries.

Increase medical/engineer unit deployments to bolster civil/economic structure of host nation. Incur U.S. training opportunities while developing network of a friendly populace disposed to U.S. interests.

Continue resource support for fight against counternarcotics operations.

Power Projection and Maritime Strategy:

Current power projection capabilities are slow, but are sufficient resources can be mustered with adequate notice. Recent successful introduction of special operations and light infantry forces into Panama from CONUS is prime example.

Counternarcotics:

Increase maritime presence. Promote increased Naval training opportunities in the western Caribbean and brown water operations with Central and South American nations. Increased presence of Coast Guard assets throughout the Southern Theater.

Increased emphasis on training Host Nation Riverine Forces in the fight against narcotraffickers.

Continue to improve the special operations and light infantry forces.

ASSIGNED FORCES

Senator **McCain**. Yesterday's paper mentioned that this year's planning guidance states that you should no longer plan to defend Iran against a Soviet invasion. Could you discuss your current planning priorities, the contingencies you see as most serious, and the extent to which the fiscal years 1991 to 1994 defense budget and program provide you with the resources you need?

General **Schwarzkopf**. Although the Soviets are not likely to attack through Iran to seize Persian Gulf oil in the immediate future, it must be understood that the Soviet Union remains a military superpower and will continue to have the capability to threaten U.S. interests in SWA. [Deleted] however, we have more likely regional threats in the immediate future. In addition to the no war-no peace situation in the Persian Gulf, there are numerous armed conflicts on-going in the region. The evolving world situation and volatility of Southwest Asia make it difficult to predict the intentions of any state that possesses the capability to threaten U.S. interests in the region. With adequate host nation support during a crisis, resources requested in the President's fiscal year 1991 budget will meet anticipated contingencies. To that end, we must continue to ensure U.S. access and foster the perception that we remain ready and able to support U.S. strategic interests in the region. Unfortunately, declining levels of security assistance and a reluctance to make U.S. equipment available to fulfill legitimate regional defensive requirements threaten our image as a reliable, long-term defense partner.

General **Thurman**. [Deleted.]

General **Lindsay**. Current planning priorities focus on force mobility, communications, and intelligence. The most important modernization concern for the 1990s is for improved SOF mobility systems. SOF must have the capability to infiltrate and exfiltrate forces into and out of denied areas. Equally important is the requirement to enhance our communications capability. We must ensure resources are adequate to provide SOF state-of-the-art capabilities for intelligence collection, processing, and dissemination, as well as automated mission planning and rehearsal systems. SOF must possess the most modern weaponry possible and continue to press for modernization in the areas of psychological and civil affairs operations. Numerous contingencies involve operations in regions with little or no U.S. presence and require maximum use of long-range, specialized infiltration/exfiltration assets to deliver troops and surgically strike targets. The fiscal year 1991 budget basically supports the continuing revitalization of our Special Operations Forces. Overall, the Operation and Maintenance Funds projected for fiscal year 1991 will allow our forces to meet worldwide commitments. Current investment appropriations will enable our required modernization programs to continue. Current forecasted DOD budget proposals are minimally adequate to sustain SOF in future years. USCINCSOC has Combatant Command (COCOM) of all CONUS-based Active and Reserve Component Special Operations Forces, Psychological Operations (PSYOP), and Civil Affairs (CA) units. The following force list details major units assigned to USCINCSOC and may vary due to forward-deployment of forces:

Army: United States Army Special Operations Command (USASOC), 1st SFG, 5th SFG, 7th SFG, 10th SFG, 11th SFG (USAR), 12th SFG (USAR), 19th SFG (ARNG), 20th SFG (ARNG); 75th Ranger Regiment; and 160th Special Operations Aviation Regiment; PSYOP and CA units.

Navy: Naval Special Warfare Command (NAVSPECWARCOM), Naval Special Warfare Groups One and Two (SEAL Teams, Special Boat Units, and SEAL Delivery Teams).

Air Force: Air Force Special Operations Command (AFSOC), 23 AF; 1st Special Operations Wing; 71st and 711th Special Operations Squadrons (AFRES) and 193d Special Operations Group (ANG).

Senator **McCain**. What forces are currently assigned to you that shape your capabilities in each planning contingency?

General **Schwarzkopf**. The force immediately available for USCENTCOM's response to any contingency is the Joint Task Force Middle East, consisting of 1 flagship, 6 combatants and AHIP helicopters. In addition, for 6 months every year, a carrier battle group supports our operations. Depending on the nature and scope of potential contingencies within Southwest Asia, additional land, sea, air and amphibious forces, to include the lift assets necessary to move them to the theater, are available to effectively plan and execute timely U.S. responses.

General **Thurman**. [Deleted.]

General **Lindsay**. Significant changes to the force structure during fiscal years 1991–1995 follows:

Army: The activation of a fifth SFG will allow reapportionment of an entire SFG to SOUTHCOM as well as to CENTCOM. The activation of the 160th AVN RGT increased Army Special Operations capability will provide Army Special Operations Aviation support to all theater CINCs.

Navy: The SEAL platoons will increase from 50 to 60 with incremental changes to SEAL delivery vehicle platoons, and associated equipment.

Air Force: The Air Force, with the addition of two Special Operations Wings, will reallocate SO air assets to improve support to all theater CINCs.

Senator **McCain**. What forces are allocated and/or used for planning?

General **Schwarzkopf**. The forces used for contingencies vary in size and capability depending on the mission. We are currently refocusing from preparing to [deleted] to an emphasis on contingencies resulting from the spillover of regional conflicts.

General **Thurman**. [Deleted.]

Senator **McCain**. How have these forces changed since 1980 and 1985?

General **Schwarzkopf**. The number of units apportioned for planning has remained fairly constant from 1980 to present. However, as a result of fielding new weapons systems, such as more capable aircraft, improved attack helicopters, multiple launch rocket systems, and other modernization programs, the overall capability of these forces has been increased significantly.

General THURMAN. [Deleted.]

General LINDSAY. There has been considerable growth and expansion in forces since the Iranian rescue attempt. The rescue force, composed of Army, Navy, Air Force, and Marine Corps personnel, was formed specifically for this mission with little or no prior inter-service training for this specific type of mission. As a result of the failed rescue attempt and the conclusions of the Holloway Report, the Counterterrorist Joint Task Force was established providing an improved force for dealing with terrorism. Since 1980, an evolution in force structure and command and control has taken place.

With the establishment of 1st SOCOM, the Army organized all special operations units under one commander promoting interoperability and command and control. Additionally, to further its capabilities, the 1st SFG and the 75th Ranger Battalion were fully manned. Finally, to complete the reorganization and ensure adequate special operations aviation helicopter support, the 160th Avn Bn was transferred from the 101st Airborne Division and redesignated Task Force 160.

The Air Force, with the establishment of 23 AF/Air Force Special Operations Command, organized all Air Force special operations and related units under one command. Subsequent reorganization divested all non-SOF assets to focus resources on enhancing capabilities of existing fixed and rotary-wing SO assets and improve performance through increased training and qualification.

The Naval Special Warfare Command was assigned as the USSOCOM Navy component. Navy SEAL teams were already organized under Naval Special Warfare Groups One and Two, with forward deployed teams under the operational control of the theater CINCs.

In 1986, congressional legislation established a DOD unified command for special operations under the command of a general or flag officer. As a result of that legislation, the United States Special Operations Command (USSOCOM) was established in April 1987.

USCINCSOC is responsible for preparing assigned forces to conduct Special Operations, Psychological Operations, and Civil Affairs operations in support of U.S. national security interests in both peace and across the operational continuum. USCINCSOC is also responsible for planning and conducting selected special operations when so directed by the National Command Authority. In order to accomplish the assigned missions, three service component commands, United States Army Special Operations Command (USASOC), Naval Special Warfare Command (NAVSPECWARCOM), and Air Force Special Operations Command (AFSOC), were designated to support USCINCSOC. Each component, Army, Navy, and Air Force, continually trains in its respective area of expertise and routinely participates in joint exercises to hone fighting skills and promote interoperability between forces.

Additionally, two programs, Major Force Program 11 (MFP-11) and a USSOCOM Joint Mission Analysis, are designed to enhance special capabilities. Management of MFP-11 resources gives USCINCSOC authority to develop and acquire special operations-peculiar equipment and special operations-peculiar material, supplies, and services to ensure the interoperability of equipment and forces. Concurrently, USSOCOM is conducting an ongoing Joint Mission Analysis with each theater CINC to validate SOF requirements and better utilized limited Special Operations Forces resources. These and other efforts continue to improve SOF capabilities to conduct operations throughout the operational continuum. The following are key dates of the 1980s.

1980—Joint Special Operations Command established.

1980—Air Force Special Operations Forces HH-53H PAVE LOW III helicopters transferred from Aerospace Rescue and Recovery Service to 1st SOW.

1982—1st Special Operations Command established.

1983—Headquarters 23 AF established.

1983—SECDEF called for revitalization of SO Forces a "matter of national urgency."

1984—Organization of 1st SFG complete.

1984—Organization 75th Ranger Regiment complete.

1985—Task Force (TF) 160 transferred from 101st Airborne Division to 1st SOCOM.

1986—TF 160 redesignated the 160th Special Operations Aviation (SOA) Group.

1987—SECDEF approves JCS force list for USSOCOM.

1987—Naval Special Warfare Command established.

1987—Air Force Special Operations Command established.

1987—April: United States Special Operations Command established. May: Army, Navy, Air Force Components assigned to USSOCOM. August: JSOC assigned to USSOCOM. October: PSYOP and CA forces assigned to USSOCOM.

1988—TF 160th SOA Group redesignated to TF 160th SOA Regiment.

1988—Naval Special Warfare Groups One and Two assigned to USSOCOM.

1989—United States Army Special Operations Command established as the 16th major Army command.

1989—39th Special Operations Wing established at Rhein-Main AB, FRG.

1989—353d Special Operations Wing established at Clark AB, PI.

Senator McCain. How are these forces currently planned or programmed to change during fiscal years 1991–1995?

General Schwarzkopf. Based on the reduced defense resources likely to be available from fiscal years 1991–1997, many units will probably be reorganized while others will probably be removed from the active force structure. We do not now know what units, if any, would be apportioned to replace units that may be lost due to resource constraints. These force structure issues are now being worked by the services as part of the fiscal years 1992–1997 program development process. We are involved in that process, but because of the complexity of the issue and the number of factors to be considered, we do not expect to identify changes until later.

General Thurman. [Deleted.]

MILITARY CAPABILITY

Senator McCain. What are the major risks and shortfalls in military strength and capability affecting each contingency?

General Schwarzkopf. Fiscal constraints could result in decrements to force levels, pre-positioning programs, and already constrained strategic lift capabilities. Delayed or canceled contingency-related military construction (MILCON) projects are also a distinct possibility. We must be careful not to jeopardize our ability to deploy rapidly and sustain combat forces capable of accomplishing assigned missions. Programs providing improvements to our power projection capabilities, to include carrier battle groups, amphibious shipping, strategic air and sealift, will need continued support to minimize risks associated with contingency operations.

General Lindsay. Preparing for any contingency involves a planning process based on intelligence and our capabilities to exploit that intelligence. Planning for contingencies in regions without significant U.S. presence requires maximum use be made of long range mobility assets for force movement and specialized infiltration/exfiltration assets to deliver the troops and surgically strike targets. Mobility limitations, both air and sea, are the key factors in developing capabilities for force projection or contingency operations. Developing force options that require movement over long distances require dedication of large numbers of aircraft. Strategic airlift is the only feasible means of movement and sustainment in many crisis planning scenarios. Likewise, supporting these aircraft with sufficient refueling assets may provide the difference between success and failure. A major planning consideration in a scenario of this order is sustaining and supporting the force once it is in place. This consideration requires a high concentration of strategic airlift and combat support forces to maintain the operation tempo and keep the enemy off balance. Another critical planning factor is communications. The basis for command and control in these scenarios is an effective and secure communications capability that links the forces to the commanders and the commanders to the decision makers. The most basic and fundamental consideration in planning is operations security. The loss of surprise is normally the deciding element in military operations. Assembly and movement of forces in a contingency creates potential operations security signatures that can provide the enemy early warning of our intentions. The British experienced this planning problem in the Falklands. Interoperability of SOF and conventional forces must receive constant attention in order to ensure that we exploit the full range of our capabilities.

General Thurman. [Deleted.] These MILCON projects enable us to sustain operations in support of operational plans in Central America.

[Deleted] XVIII ABN Corps deployed, and with in-place JTF–PM assets, formed the warfighting headquarters. [Deleted.]

Senator McCain. What major planning activities do you have underway, or participate in, that might change these answers?

General Schwarzkopf. There are numerous studies and programs underway to investigate and to address the changes that are taking place in the world and in SWA today. However, unless significant, unforeseeable events occur in SWA (e.g., dampening of extremist elements or settling contested territorial claims and political disputes), the political, economic and military requirements necessary to continue protecting U.S. regional interests will not change noticeably.

General THURMAN. [Deleted.] Other efforts include defeating/containing selected insurgencies and assisting in the socioeconomic and political modernization of the nineteen countries in the theater.[Deleted.] This requires a heavy investment initially in intelligence, air sovereignty, theater support, and security assistance.

[Deleted.]

With a further shift in effort towards assisting the socioeconomic and political modernization of the countries in LATAM, CENTAM(+) and the Southern Cone(+) are nearly equal in terms of priority. The premise is that less attention will be needed to address narcotrafficking in the Andean Ridge(+). [Deleted.]

General LINDSAY. The command has created, from its own internal assets a Joint Mission Analysis (JMA) organization: to determine mission area requirements for theater and national missions-level special operations (SO), psychological operations (PSYOP), and civil affairs (CA) forces across the conflict spectrum, and to identify capability shortfalls for inputs to the planning, programming, and budgeting system for these forces.

The JMA is being undertaken jointly with the regional Combatant Commanders in Chief. The first JMA cycle which started in July 1988 with USSOUTHCOM is expected to be complete in June 1991. To date, we have completed the JMA for USPACOM and are completing staff coordination on the final report. The USSOUTHCOM JMA was held up by Operation Just Cause and the desire by General Thurman that a counternarcotics excursion analysis be made. Staffing of the USSOUTHCOM JMA final report will begin in mid-March 1990. We are conducting a Korean regional contingency adjunct analysis to the USPACOM JMA at present and have kicked off both the USEUCOM and USCENTCOM JMAs. The USLANTCOM JMA is scheduled to start on 12 March 1990 and the global wrap-up analysis (incorporating SO, PSYOP, CA and support requirements in CONUS and to other governmental agencies) is set to begin in September 1990 and end in June 1991. We expect the second JMA cycle (to support POM fiscal year 1996–2001) to begin again with USSOUTHCOM in July 1990. Although the first cycle will have taken 3 years to complete, subsequent cycles will take 2 years—to coincide with the 2 year POM-Budget cycle.

Although we are just at the point of publishing the first of the theater JMA final reports, emerging results have been approved by USCINSO, USCINCPAC, and me, for use in selected planning and programming support activities. The conduct of the JMA has been most beneficial in information exchange between my command and each of the regional combatant commands. We have gained a much better appreciation of the uniqueness of each regional command and they have learned more about the capabilities of SO, PSYOP, and CA forces and the roles they play in helping the regional CINCs execute their regional strategies.

NET ASSESSMENT

Senator MCCAIN. To what extent have you conducted net assessments, or participated in them, to help shape these answers, and your planning and programming activities and inputs?

General SCHWARZKOPF. USCENTCOM participates in three net assessment studies sponsored by the Joint Staff: the Total Force Capabilities Analysis (TFCA), the Joint Military Net Assessment (JMNA), and the Chairman's Net Assessment for Strategic Planning. Our role in these efforts has been to review and to provide comments on draft documents.

We conduct numerous internal studies that enable us to provide, in part, analytically derived information to the JCS net assessment efforts. The results of these internal assessments are used, with other studies, to provide the basis for our planning and programming activities.

General THURMAN. USSOUTHCOM does not conduct its own internal net assessments. Our considerations are addressed during our review of JCS assessments. We also reviewed the 1989 Chairman's Net Assessment for strategic planning. We will continue to review net assessment resulting from the newly organized Joint Strategic Planning System.

General LINDSAY. The command has created, from its own internal assets, a Joint Mission Analysis organization to examine special operations requirements within each theater's area of operations.

Senator MCCAIN. We recently have seen a major Soviet military intervention in Azerbaijan. Could you discuss the lessons you draw from this intervention for USCENTCOM?

General **Schwarzkopf**. In quelling the civil unrest in Azerbaijan, the Soviets demonstrated a capability to respond quickly to a crisis situation and to command and control large numbers of military and civilian aircraft over a sustained period of time. During deployment of airborne and Ministry of Internal Affairs (MVD) forces, the Soviets were able to exceed aircraft sortie rates previously demonstrated during the Armenian earthquake in 1988. They employed all transport services of the Soviet Union and used civilian airfields as required. However, this Soviet success does not validate their ability to project forces to the Arabian Peninsula since the Azerbaijan operation did not require lift of heavy forces. Additionally, the use of rotary-wing aircraft greatly augmented the resupply and movement of troops within the military districts. The lack of participation by Army units stationed in the Transcaucasus suggests these units are not trained in dealing with civil unrest and that their reliability may be in doubt when forced to confront the indigenous population.

Senator **McCain**. Could you provide a summary of some of the lessons you have drawn from the previous Soviet fighting in Afghanistan?

General **Schwarzkopf**. Two areas are particularly noteworthy. First, the Soviets supported ground operations in Afghanistan with rotary and fixed-wing aircraft [deleted] reflecting a flexibility to employ available assets as the terrain, climate, and ground force organizational structure required. The increase in the Soviet use of helicopters and modification in their tactical air formations after the introduction of low-altitude, surface-to-air missiles were further examples of flexibility and evolving Soviet doctrine. Despite cold-weather conditions and difficult terrain, [deleted].

Second, after the Soviet invasion of Afghanistan, two distinct ground combat roles evolved. The first role, [deleted] was to protect and secure fixed facilities, main lines of communications and population centers. The second was to actively pursue and engage the Mujahedin. This second role was [deleted]. Overall, performance did not meet Soviet expectations.

This performance can be attributed in part to the Soviet's under-estimation of the Mujahedin. This guerrilla force proved to be far more resourceful, determined, and numerous than they anticipated. After introduction of the Stinger missile in late 1986, the Mujahedin no longer feared Soviet close air support and were able to fight close-in—simplifying the movement of supplies needed to fight the war. Additionally, the Soviets suffered from extremely low morale, ineffective centralized command and control, and a general lack of preparation for a counter-insurgency role.

JUST CAUSE—LESSONS LEARNED

Senator **McCain**. Could you discuss the lessons you draw from our intervention in Panama?

General **Thurman**. There was a uniqueness to the situation in Panama that makes it risky to generalize. I can't give you a definitive list of lessons learned, as SOUTHCOM and all of the forces involved are still in the process of developing our after-action report on Operation JUST CAUSE. I can share with you some ponderable categories of questions we are considering.

Looting and lawlessness.—The need to have additional forces present to prevent looting and lawlessness must be weighed against the need to maintain operational security (OPSEC). The forces required for stability operations had to be air-landed with their vehicles and equipment. To have positioned them prior to H-hour would have risked the loss of OPSEC. The trade-off between pre-positioning forces and the potential loss of OPSEC needs to be explored.

The press.—The large number of members of the press (over 1,000 registered with our Public Affairs Center) placed extraordinary requirements on tactical and administrative vehicles and security forces. The best method to manage this important task during a fluid, tactical situation needs to be worked.

Intelligence.—A number of discoveries were made during the course of the battle that were not accurately estimated beforehand. i.e., the extraordinary quantity of weapons found in caches in various parts of the country. Intelligence needs to be constantly refined.

JUST CAUSE did demonstrate that the principles of war (mass units of command, economy of force, etc.) remain valid. It also proved that the efforts to ensure communications would support the tactical plan were worthwhile. Communications at large were excellent.

IPL

Senator **McCain**. What is the full list of items on your integrated priority list for improvements in U.S. forces for your command? What elements on this list are funded? What elements are not funded in the fiscal year 1991 budget and current FYDP, and how does this lack of funding increase your risks?

General **Schwarzkopf**. The fiscal years 1990–1994 Integrated Priority List (IPL) was submitted to the Secretary of Defense in November 1987. This listing of USCENTCOM's most critical warfighting requirements was used by the services in building their fiscal years 1990–1994 Program Objective Memorandums (POM) and the current FYDP. The following list of 30 functional areas was submitted:

[Deleted.]

The services, within the limits of available resources, funded those items identified as critical warfighting requirements. The fiscal year 1991 President's budget reflects adequate funding levels to support my warfighting requirements. There is no increased risk in my area of responsibility due to funding shortfalls.

General **Thurman**. Integrated Priority List (IPL) by main categories:

	Millions
C3	$53.6
Intelligence	115.4
Air Surveillance	71.0
Airlift	114.9
Exercises	59.2
Milcon	24.5
Riverine/Mine Countermeasures	4.0
Other	12.4

The above items were either funded in the President's fiscal year 1991 budget or satisfied by the services.

General **Lindsay**. Improvements for U.S. Special Operations Forces have been identified in the following functional areas: mobility; command, control, and communications; combat support; intelligence; readiness and sustainability; and logistics. Top priority requirements are funded in the fiscal year 1991 budget, but at this time, it is impossible to determine exactly what issues will be fully funded and what risks will be encountered during the program years. The fiscal year 1991 President's budget request is adequate to continue SOF revitalization. It carries out the program to increase SEAL platoons from 50 to 60 and completes the activation of a fifth active SF group. In keeping with established DOD policy, details concerning planning, programming, budgeting system materials, which include the Integrated Priority List, cannot be released outside DOD.

Senator **McCain**. Could you provide as detailed a list as possible of the actions that the various Gulf States, and states outside the gulf, took to aid the U.S. during Operation Earnest Will?

General **Schwarzkopf**. From the beginning of Earnest Will operations on 22 July 1987, GCC support was critical to mission accomplishment. Various countries provided discrete but essential cooperation, thereby reducing U.S. support requirements. Without GCC support, significant increases in U.S. equipment, personnel and funding would have been required, further complicating the mission. These contributions were key to the political and military gains we continue to enjoy.

[Deleted.]

Senator **McCain**. Now that 2 years have elapsed since the peak of Operation Earnest Will, what are the main lessons you draw from this operation and how do these affect your planning and programming priorities?

General **Schwarzkopf**. The first lesson learned involves command and control. The establishment of Joint Task Force Middle East (JTFME) streamlined the command and control of all forces assigned to support Earnest Will by creating a clear chain of command from Commander in Chief, U.S. Central Command, and the National Command Authority, to Commander, Joint Task Force Middle East.

Next, mine warfare in the Persian Gulf was an extremely complex military operation requiring many platforms to conduct mine countermeasures. Although our mine countermeasure operations were effective, they were directed against an unsophisticated, moored contact mine threat. Had the threat been more sophisticated, additional forces, with enhanced countermeasure capabilities, would have been required. Since almost any Third World country has, or can easily acquire, the capability to effectively conduct mine warfare, we need to develop and maintain mine countermeasure forces that are capable, rapidly deployable and sustainable.

Special note was taken of the inadvertent Iraqi attack on the U.S.S. *Stark* in May 1987. It clearly demonstrated that, as the tanker war in the northern gulf intensified, our forces were increasingly at risk to unintentional attack. To preclude a recurrence of the U.S.S. *Stark* incident, deconfliction procedures were developed, the Rules of Engagement were strengthened so that each commanding officer was clearly authorized to defend his command, and readiness conditions were modified to provide increased unit protection when operating in high threat areas. However, in a fluid environment, constant attention is required or the procedures lose their effectiveness as new forces and weapons are introduced. The bottom line is this—when U.S. forces are operating in the vicinity of belligerents, we must develop and coordinate the necessary procedures to prevent inadvertent attacks.

One of the most innovative tactical concepts adopted during Earnest Will was that of the mobile sea base (MSB). Although many operating-type lessons were learned, the most significant of these was that the MSB concept has utility for operations other than Earnest Will. Together with the effective use of Army armed helicopters operating from Navy combatants, the MSBs allowed for inherent mobility, flexible task organization and economy of force characteristics. This proven concept has great potential for use during future joint operations in a low-intensity-conflict environment.

As Earnest Will planning began, Joint Task Force Middle East combatants had the capability to counter conventional threats but not night attacks by highly maneuverable small boats. Light attack helicopters (AHIPs) corrected this deficiency. They could detect, identify and destroy Iranian small boats, and were especially effective during periods of darkness—neutralizing the Iranian small boat threat and serving as a deterrent to Iranian minelaying.

A final lesson learned lies in the area of host nation cooperation and interoperability. Strong peacetime relationships between the U.S. and moderate Arab nations, bolstered by robust military-to-military ties, combined exercises and foreign military sales proved instrumental in our successful operations in the gulf.

CARRIER FORCE

Senator McCain. Various previous witnesses have discussed a possible reduction in naval forces from 12 to 11 carriers. How would such reductions in the carrier force affect your operations? What is your opinion of the value of our battleships? What has the impact of eliminating two battleships been on your mission capabilities, and on your ability to use SLCMs?

General Schwarzkopf. Although USCENTCOM has no carrier battle groups (CVBG) permanently assigned, a CVBG was assigned to the operational control (OPCON) of Commander, Joint Task Force Middle East from September 1987 to September 1989. CVBGs are still assigned to the Joint Task Force on a periodic basis. During the height of Earnest Will operations, a CVBG was continually present in the Gulf of Oman/North Arabian Sea and was essential to our successful mission accomplishment. In peacetime, these naval assets demonstrate U.S. resolve and commitment to the region while providing opportunities for combined training with friends and allies. These small scale exercises have the added benefit of providing a means to routinely introduce U.S. tactical aircraft into areas with no permanent U.S. air bases or permanent access to host nation air bases. Without permanent bases or unlimited access, my concern with further reductions in aircraft carriers and battleships is the ability of the Navy to provide timely response to any given contingency. To lessen operational requirements on available CVBGs, we have begun substituting battleship groups (BBBG). Although not as flexible in power projection as a CVBG, they do provide a significant presence that is respected and appreciated in this volatile region. Its mobility and firepower, coupled with state-of-the-art defensive capability, permit operations throughout this region, to include the critical sea lanes of the Persian Gulf.

General Thurman. [Deleted.] Reduction of the number of carriers affects USCINCSO in that the forward deployment posture, and therefore the closure time, of naval forces is affected. [Deleted.]

General Lindsay. The key to contingency operations is flexibility since these operations are often not preplanned or reaction time precludes extensive preplanning. The CV–22 offers flexibility this command does not have today. The CV–22 combines the speed and range of a fixed wing aircraft with the vertical lift/hover capability of a helicopter. Incrementally, the contingency value of the CV–22 allows faster response time as it has twice the speed of aircraft helicopter, which also reduces exposure time enroute. Additionally, the Vertical Take Off and land capability eliminates tying the contingency operations to a fixed airport or airfield.

V–22

Senator McCain. To what extent do you feel that the V–22 would have unique contingency value in your operations? Could you discuss this incremental contingency value in detail?

General **Schwarzkopf**. With the V-22 Osprey's promised capability to perform an entire range of over-the-horizon assault, search and rescue, unconventional warfare, aeromedical evacuation, and resupply missions, the aircraft would be highly desirable for use in our area of responsibility. However, in today's world of tightly constrained resources, the cost of this aircraft is prohibitive and represents a luxury which we cannot afford. While the Osprey would provide USCENTCOM one aircraft capable of performing the full spectrum of contingency missions, existing rotary and fixed-wing assets are capable of meeting our mission requirements.

General **Thurman**. [Deleted.]

MILITARY DEVELOPMENTS

Senator **McCain**. Could you provide a detailed discussion on the military developments taking place in each friendly country in your area of operations, the extent to which such developments could be of aid to you in possible contingencies and the contingency values of U.S. arms sales and security assistance?

General **Schwarzkopf**. [Deleted.]

Our presence in the region and the combined exercises that we periodically conduct demonstrate our willingness and capability to accomplish this mission. These exercises, along with appropriate levels of security assistance funding and a balanced program of foreign military sales (FMS), are requisite elements for developing the legitimate defense needs of our friends in the region.

[Deleted.] Interoperability cannot be accomplished overnight. It is achieved only as the refined product of common equipment, combined planning, and jointly developed procedures, tested and evaluated during increasingly complex combined exercises.

Unfortunately, the continuing reduction of security assistance funding and restrictive arms sales policies threaten our ability to promote security cooperation and achieve our goals of interoperability. Since 1985, Congress has cut security assistance funding to Jordan, Kenya, and the Yemen Arab Republic. Consequently, these countries are finding it increasingly difficult to sustain their previous acquisitions of U.S. equipment, and are turning to other sources of supply and support. It should also be noted that security assistance funding to Somalia was discontinued because of its human rights violations, while funding for Sudan was terminated as a result of that country's military overthrow of its democratically elected government. Since there is now no incentive for either of these countries to repay their outstanding debts to the United States, both are delinquent in payments and, as a result, fall under the Brooke sanctions as well. In Saudi Arabia, Kuwait, Bahrain, Qatar, United Arab Emirates, and Oman, where oil revenues are available to support legitimate defense needs, restrictive U.S. arms sales policies have caused these cash sales customers to become increasingly reluctant to deal with the United States.

When our friends turn to other suppliers they complicate their logistics support requirements and make it more difficult to achieve Interoperability goals. Besides the noncompatibility of equipment, we lose out on developing training and support programs associated with the employment of new equipment. Insufficient U.S. security assistance funding and restrictive arms sales policies threaten the military self-sufficiency of the region's countries. They also threaten our access initiatives, undermine our efforts to promote a regional defense posture and, ultimately, reduce our credibility as a reliable security partner.

[Deleted.] Operation Earnest Will in the Persian Gulf clearly demonstrates that U.S. military operations in the region depend on access to and cooperation with the regional states. We received excellent support from each nation we approached, and throughout the conflict we gained invaluable experience in military cooperation and interoperability that we are continuing to build on. Similarly, the [deleted]. This access is indispensable for the accomplishment of USCENTCOM's mission.

Now let me turn to our friends in the region. Egypt receives the greatest share of U.S. security assistance funding in the AOR. Our assistance is directed toward replacing mostly inoperative and obsolete Soviet equipment with modern U.S. systems and building a logistics infrastructure to support current weapons systems. Modernization of the Egyptian Air Force is moving towards the building of a 160 F-16 aircraft fleet. Co-production agreements, such as for M1A1 tanks and 105mm tank gun ammunition, further highlight our military cooperation. Likewise, the proposed acquisition of excess M60A1 series tanks for ultimate conversion to the A3 configuration will allow the Egyptians to destroy or demilitarize aging Soviet tanks and further enhance interoperability with U.S. forces. Building and improving heavy industry factories—such as Factory 100 and Factory 200 tank plants—will provide repair facilities which could be utilized by friendly regional states as well as deployed U.S.

forces. Finally, recent Egyptian efforts to improve their mine countermeasures capability will enhance security of the Suez Canal and Red Sea.

Jordan is one of the countries where decreases in U.S. security assistance funding have had a negative impact on military readiness and interoperability with U.S. forces. Despite this, the Jordanian Armed Forces maintain close cooperation with us and take every advantage of training with U.S. forces in CONUS under the International Military Education and Training program and during combined exercises in that country. Jordan's emphasis on training has also involved it in military training activities throughout the Arabian peninsula, further contributing to the development of interoperability with U.S. forces and the promotion of a collective defense.

Saudi Arabia is making significant strides in providing for its own internal defense. Besides the purchase of modern military equipment, [deleted]. The Saudi Armed Forces are working to improve their command, control and communications, logistics, and training infrastructures to allow better direction and management of their equipment and personnel assets. Similarly, the country continues to play a prime role in encouraging other Gulf States to enhance the capabilities of the Peninsula Shield Force—the collective military arm of the Gulf Cooperation Council (GCC).

Although we believe Saudi Arabia prefers to develop a high degree of interoperability with U.S. forces, our restrictive FMS policies have recently forced the Saudis to look elsewhere. On the positive side, however, their purchase of the Bradley fighting vehicle, and their continuing interest in the M1 tank, light armored vehicles, additional F-15 aircraft, the Patriot tactical air defense missile system, and the multiple-launch rocket system are encouraging prospects for maintaining the special relationship which the U.S. enjoys with Saudi Arabia.

U.S.-Kuwaiti relations have become much closer due to our policies on maritime protection, F/A-18 aircraft sales and political concerns of common interest. Kuwait's increasing investment in military modernization offers the United States an opportunity to provide equipment and services which will improve its defense capabilities and encourage regional defense arrangements with other GCC states. As long as we are seen as a reliable partner who will support Kuwait's legitimate defense requirements, our relationship with the Kuwaiti Armed Forces will remain strong and cooperative.

The U.S.-Bahraini relationship has traditionally been close and cooperative, as evidenced by the invaluable support provided to the Joint Task Force Middle East (JTFME). Like the other Gulf States, Bahrain continues to enhance its defense capabilities through the purchase of state-of-the-art U.S. military equipment that improves its self-defense posture, and also supports its active role in regional GCC defense efforts. We must continue to work closely with the Bahrainis to repair the damage to our relationship caused by the Stinger buy-back issue. A reluctance on the part of the United States to provide Bahrain with the equipment needed to satisfy its legitimate self-defense needs would be viewed as a sign of diminished U.S. interest in that country's security and stability.

While U.S.-Qatari relations are generally friendly, military cooperation has been interrupted and security assistance frozen pending resolution of the ongoing Stinger controversy. Once the Stinger issue is resolved, USCENTCOM looks forward to resuming our military-to-military relationship.

[Deleted.] Likewise, UAE's oil wealth, its foreign assistance program and its efforts to mediate in regional conflicts make it a valuable partner. Like other GCC states, it continues to enhance its air defense capability with the deployment of I-HAWK launchers and has expressed an interest in an airborne surveillance system and the Patriot tactical air defense missile system. Similarly, UAE's recent request for price and availability data for AH-64 Apache helicopters portends a significant expansion in military cooperation. These helicopters would enhance the UAE's capability to contribute to the defense of offshore oil facilities and its long coastline.

Oman has proven to be a staunch friend of the United States and has contributed materially to USCENTCOM's ability to respond to regional contingencies. [Deleted.]

With the third largest armed forces in the USCENTCOM AOR, [deleted].

The Yemen Arab Republic (YAR) continues to signal its desire for a closer, bilateral relationship with the United States, despite steadily declining U.S. security assistance funding. [Deleted.] However, until U.S. security assistance funding is significantly increased or the YAR's revenue from newly discovered oil can finance the maintenance and upgrading of U.S. military equipment currently in-country, [deleted].

Our relationship with Sudan is deteriorating rapidly. U.S. sanctions imposed after the overthrow of the democratically elected government of Sadiq Al Mahdi and enforcement of the Brooke amendment sanctions have frustrated the Bashir government. It has resorted to renewed ties with Libya for vitally needed military and economic aid. [Deleted.]

In the Horn of Africa, our relationships with Djibouti, Somalia, and Kenya remain important. [Deleted.] Our bunkering agreement with Djibouti is convenient for U.S. Navy operations in the Red Sea during peacetime as well as war. Likewise, maintaining our access agreements with Somalia and Kenya are also important and provide the basis for continuing our military cooperation. Security assistance programs help satisfy military training requirements while, at the same time, exposing U.S. trainers to the military infrastructures and cultures of host nations.

General THURMAN. *Argentina.*—The Armed Forces suffer serious equipment, manpower, and budget shortages. This situation impacts significantly on operational ability. [Deleted.] The Navy is capable of defending against other Latin American nations, but has been hardest hit by the economic situation. The Air Force had to fund the payroll for the Navy for the last quarter of 1989.

Repairing and upgrading the A-4 aircraft is a key issue in Argentine-U.S. relations. [Deleted.] The U.S. has not been able to provide assistance due to an agreement with the United Kingdom limiting such.

The Argentines have some open Foreign Military Sales (FMS) cases with the U.S. The Army cases apply to the upgrade and repair of M113s and UH-1Hs. They were having trouble coming up with even the initial installment for the case. They have finally made this downpayment. [Deleted.]

The Argentines participate in both Unitas and Fuerzas Unidas, which provide the opportunity to maintain contact and train Argentines in U.S. operations. [Deleted.]

Belize.—Belize is basically a British Area of Operations, and as such does not require much from U.S. assets as far as military assistance.

Due to it's geographical position, Belize is a key transhipment point for drugs. The cooperation of Belizean Armed Forces is critical to continued drug interdiction. Belize has over 170 miles of coastline to patrol and easily accessible terrain.

The U.S. Coast Guard and the Belizean Armed Forces have been cooperating in the drug interdiction effort.

There are talks underway to provide radar to the Belizean Armed Forces for their counternarcotics mission.

Bolivia.—[Deleted.]

The main U.S. military initiative has been the development of a Bolivian strategy to address the growing threat from narcotrafficking. Other initiatives include: training programs to increase the proficiency of ground units, surveys to determine the capabilities of air, ground, naval, communications, engineer and other assets, and planning for radar deployments to identify trafficker aircraft and control airspace in coca growing areas.

[Deleted.]

Brazil.—[Deleted.] Plans for development and improvement are significantly constrained due to lack of funds. Available money must be selectively spent on replacement parts or new equipment. This constraint on funds will definitely impact on their ability to join in the war on drugs. [Deleted.] It seems to be working well. Most of allotted IMET funds have been used for military education, but much scheduled training has to be canceled due to the inability to pay the per diem associated with the travel. The U.S. must seek opportunities to train in-country and eliminate this cost.

Chile.—Chile's military capabilities are limited by geographic features which inhibit rapid transportation. [Deleted.]

Security Assistance to Chile is prohibited under the Kennedy-Humphrey amendment sanction. This sanction was instated as a result of alleged human rights violations in the early years of the military regime and the murder of two Chilean citizens in the United States, allegedly by Chilean military members. [Deleted.]

Colombia.—[Deleted.] We will provide both training and equipment for the initiative.

The Colombian Air Force (FAC) has benefited the most from the Emergency Aid package. [Deleted.]

The Navy is relatively well maintained and funded. A Colombian Frigate attended refresher training at the U.S. base in Guantanamo Bay last year. [Deleted.]

The Colombian National Police are charged with law enforcement and internal security. [Deleted.]

Costa Rica.—Costa Rica does not have an established military force. [Deleted.] These include the benefits from DFT's for bridge and road building, well drilling, medical, veterinarian, disaster relief exercises and counternarcotics operations.

Costa Rica participates in the front line support of the counternarcotics program through the use of the CBRN. This asset should prove for all participating countries to be beneficial to this fight.

Ecuador.—[Deleted.]

U.S.-Ecuadorian military relations continue positive development. U.S. military programs have centered on development of basic military capabilities and support for humanitarian civic action. Specific initiatives include: road and bridge construction, medical and dental exercises, military technical training, "Captain of the Port" training to improve control of coastal and inland ports, and the sale of light trucks to improve Army tactical mobility. Despite this assistance, Ecuador remains a major transhipment point for drug trafficking. Additional technical, training, and materiel support is required to counter this threat.

El Salvador.—U.S. training and military assistance have significantly increased the professionalism and tactical proficiency of the Salvadorian military, while permitting national survival and the growth of the democratic process.

El Salvador is friendly toward the United States. Most of El Salvador's airfields, ports, etc. should be available to the United States in case of contingency requirements.

[Deleted.]

Guatemala.—Increased capability of the Guatemalan military DFT's have helped develop limited transportation capabilities and support resources by utilizing engineering resources to provide new wells and road repair projects for both humanitarian and [deleted] military use. Their greatest value is not to U.S. contingencies, but to the daily counter insurgency effort of Guatemala's Armed Forces.

Other exercises have improved the naval facilities on the Pacific coast which will now increase the capability of supporting the requirements of the counternarcotics efforts.

Guatemala has been restricted from receiving "lethal aid" from 1976 to 1983. Since 1983, the majority of military assistance has gone to improving logistics and mobility by air and land, though no weapons systems have been approved.

Guyana.—No significant activities.

Honduras.—U.S. presence and assistance in Honduras have already reaped significant benefits in meeting our overall policy objectives in the region. Two primary benefits exist: First, deterring internal and external incursions against the democratic Honduran Government. Second, the close working relations we have developed with the Honduran Armed Forces make interoperability much easier, should our assistance be requested in the future.

U.S. weapons systems have a definite deterrent value. Since we have trained the Honduran forces to operate and maintain their weapons, they can better provide for their own defense. This makes the employment of U.S. soldiers less likely—an issue that would be delicate at best, should open hostilities break out.

Our extensive training of the Honduran military will provide even greater dividends in the future, not only because it adds to the effectiveness of their military, and thus reduces future requirements for U.S. assistance, but also because of the rapport created between U.S. and Honduran forces. Should we be asked to provide military or civil assistance to Honduras, U.S. forces are already familiar with the terrain and knowledgeable of how to work efficiently with the Honduran military forces.

[Deleted] the improvements will add to the effectiveness of their forces and be an incentive to retain high quality personnel.

[Deleted] the host nation to utilize naval resources to monitor the illegal arms and drug trafficking in the Gulf of Fonseca.

[Deleted.]

The Central American Regional Communication Network consists of a satellite earth terminal, a microwave system, electronic telephone switches and a tactical HF subsystem. This system allows additional communications avenues and frees up other U.S. communications systems. Final operational capability is expected in June 1990.

CBRN sites provide the key interface in a front line counternarcotics effort.

The cutbacks in fiscal year 1990 military assistance to Honduras have the potential of jeopardizing all the above advances in U.S. policy. [Deleted.]

Panama.—Panama has just undergone a liberation from military rule. The collapse of the Panamanian Armed Forces which were also the Police Forces, has left a security void in Panama which is being filled at the time by the U.S. Armed Forces.

The desire of the Panamanian Government to not reconstitute an Armed Forces leaves in question the involvement of the U.S. military in development in the country. The whole issue is evolving with significant oversight of U.S. Government officials.

It is known that the United States will be assisting in the structuring, training and equipping of the FPP, but to what degree is not fully known. Also training of the Panamanian maritime forces will be an area in which the U.S. Coast Guard will be involved.

Assuming the future government of Panama remains friendly, developments which the United States undertakes now and in the near future should contribute to U.S. national interests in Central America.

Paraguay.—[Deleted.] Existing equipment is of World War II vintage. [Deleted.]

Paraguay also takes part in Fuerzas Unidas, which is a Joint Exercise format. The United States takes advantage of this opportunity to train by utilizing both CPXs and FTXs. Airborne exercises could be applicable in the drug war.

Peru.—The Peruvian military is currently faced with the problems of fighting two insurgencies and combating drug traffickers. [Deleted.] This reflects the overall weakness of the Peruvian economy illustrated by the 1989 inflation rate of 2,775 percent.

The Peruvian navy is capable of performing its mission of defense from attack from any neighbor. [Deleted.]

[Deleted.] Budget restrictions limit the amount of flying time available, and the proficiency of the pilots is deteriorating.[Deleted.] After 6 years of no security assistance, Peru received $1.5 million earmarked for counternarcotics operations in fiscal year 1989 and an additional $35.9 million in fiscal year 1990. Current U.S. initiatives include aviation assistance, training and equipping Peruvian ground forces, and development of riverine forces. The United States will benefit by having Peruvian military forces which can conduct large scale counternarcotics operations and control the flow of precursor chemicals. [Deleted.]

Suriname.—No significant activities.

Uruguay.—[Deleted.]

U.S. funds provided to Uruguay have been used primarily for Humanitarian Assistance/Civic Action projects. Fallout funds from fiscal year 1988 were used to purchase hospital equipment. State Department has also made excess equipment available to several countries at no cost. These include bulldozers, road graders, etc.

Uruguay does maintain some open Foreign Military Sales (FMS) cases with the United States. They are for technical assistance and spare parts.

[Deleted.]

The participation of Uruguay in both Unitas and Fuerzas Unidas allows them to become familiar with our training and methods of operation.

Venezuela.—The military, especially the Army, continues to be a major factor in the maintenance of internal security. The Armed Forces are upgrading and replacing equipment but the current economic situation requires that it be done slowly and selectively. [Deleted.]

In recent visits to Venezuela, USSOUTHCOM has been able to provide some support for the maintenance of UH-1H helicopters to be used in the counternarcotic role.

In general, the South American countries are friendly to the United States, and they want to work with us. They are gradually coming around to realize that the drug war is significant to all concerned. The problem is lack of resources. We provide approximately $125K per country per year in IMET funds only. No FMFP (formerly MAP) and only limited ESF. As a result, their ability to aid the United States in our objectives in the region are limited.

FMS SALES AND SECURITY ASSISTANCE

Senator **McCain**. What are some of the problems you face in your area of operations because of the current limit on FMS sales and security assistance?

General **Schwarzkopf**. Security assistance funding constraints and limitations on FMS hinder USCENTCOM in achieving U.S. military objectives and in assisting regional states in providing for their legitimate defense needs.

Of the $1,603.5 million fiscal year 1990 security assistance funding provided to countries in our AOR, $1,591.2 million was earmarked for three countries. This extensive earmarking greatly reduces our flexibility to provide money where military aid would have the greatest impact. For example, Yemen Arab Republic's $.5 million is just one-tenth of the amount it needs to repair its three offshore patrol boats and to keep U.S. logistics and infantry training teams in-country. Likewise, Jordan, one of our oldest friends in the region, must make tough decisions on how to distribute funds that represent only two-thirds of the amount needed to maintain U.S. provided missiles, tanks and various aircraft.

Our restrictive arms policies have produced inconsistent and frequently embarrassing results for our Arab friends. As a consequence, these states are turning to other sources to procure their military equipment. For example, Saudi Arabia purchased 72 British Tornado fighter aircraft and support infrastructure amounting to approximately $30 billion—when the United States refused to sell additional F-15s and limited the total number of F-15s Saudi Arabia could have in-country. In almost every case, the weapons acquired have fewer constraints on employment than those purchased from the United States. This loss of regional arms sales weakens our military-to-military relationships and lessens our ability to serve as a moderating voice in regional conflicts. But more importantly, the United States loses much of its goodwill and access in a region which is vital to our interests. The United States should be ready to respond positively to our friends' legitimate requests to buy arms.

General Thurman. *EARMARKS:* The earmarking, by Congress, of 90 percent of the fiscal year 1990 Foreign Military Financing Program (FMFP), limits the amount of funding available to countries in the SOUTHCOM AOR. If not for the earmarks (all to non-Latin countries), more funds would be available for allocation to Latin America. Currently only 7 of the 19 countries in the AOR receive FMFP funding. Without these resources it is difficult, if not impossible, to accomplish our stated mission of assisting friendly countries to provide for their own security. Security assistance is the number one tool available to accomplish the SOUTHCOM mission (including counternarcotics) and there is not enough of it. For example, the United States convinced Honduras to purchase F-5's several years ago. Honduras has a $12M payment due in fiscal year 1990. Fiscal year 1990 FMFP allocation to Honduras was reduced to $20M from $40M in fiscal year 1989. Three-fifths of their FMFP money must go toward their loan payment, leaving little to improve the armed forces. The shortage of funds is further exacerbated by the congressionally imposed reduction of all security assistance funding by 0.43 percent to combat the drug war. Although the moneys are, in large part, coming to the SOUTHCOM AOR, the impact of reducing funding to other LATAM countries (that do not have a drug problem) is significant.

FLEXIBILITY: Current security assistance legislation limits what we can accomplish in the AOR. "Brooke amendment" sanctions are particularly harmful in Latin America. Most all the countries in the AOR are poor, debt ridden nations. Imposition of the Brooke amendment, brings any programs we have going in country to a screeching halt until the debt is cured. In the case of Honduras, unable to pay the $12M from their treasury, they must obligate FMS funds thereby impacting the readiness of their forces. If they did not obligate FMS funds toward the debt, then Brooke sanctions would be imposed, precluding the expenditure of additional FMS funds. Recognizing the importance of continuing to improve military readiness, in spite of economic woes, this section of the law was waived for fiscal year 1990 as it applies to the Andean nations of Peru, Colombia, and Bolivia. The impact of this law is no less severe on the other missions of SOUTHCOM than it is on the drug mission/nations.

Section 660 of the FAA prohibits DOD from providing services or equipment to police forces. Effective police forces are vital to successfully combating low intensity conflict threats such as insurgencies and narcotics trafficking. Recognizing this, Congress waived the application of section 660 for the Andean nations and Panama in fiscal year 1990. This is a step in the right direction but, the DOD, through security assistance should be able to provide articles and training to the police forces of any democratic government that does not engage in human rights violations. As we are successful in Colombia, Bolivia, and Peru the drug war will spread. Eliminating restrictions now, vice later, will help us to stay ahead in our training of the host nations to counter the threat.

The Humphrey/Kennedy amendment prohibits military assistance to Chile with the exception of safety of flight equipment and related technical manuals. On December 14, Chile held democratic elections and the new government assumed office on March 11. In light of the elections and renewed government efforts to solve the Letelier murder, this restriction should be reconsidered.

Mobility is a tenet of warfare. In the drug war the enemy has it and we do not. As stated, security assistance is the number one weapon available to us to assist the host nations in fighting the war. As narco-traffickers move into surrounding countries, we cannot apply our major weapon system to pursue them because the funds are appropriated and allocated by country. A provision for a regional allocation of funds would make our efforts more responsive to the threat.

OPPOSING FORCES

Senator **McCain**. Could you provide a detailed analysis of the changes in the organization, readiness, and equipment and manpower strength of the Soviet forces opposing you, and which might be projected into the area over the next few years? Could you provide a detailed comparison of the strength of similar U.S. power projection capability that would show the relative U.S. and Soviet force strengths applying to your area and mission in 1980, 1985, and 1989?

General **Schwarzkopf**. Despite their withdrawal from Afghanistan, ongoing unilateral force reductions, and military restructuring, the Soviets continue to modernize and streamline their forces in the Southern Theater of Military Operations (STVD).

[Deleted.]

Under the current Conventional Forces in Europe (CFE) proposals, the Soviets would incur losses of units in the North and Transcaucasus Military Districts of the STVD. However, the deactivation of units in the STVD does not necessarily infer a decrease in capability. Current military restructuring trends in the Western TVD (WTVD) indicate the reduction of units, but not their reduction of firepower. With the withdrawal of Soviet forces from Eastern Europe, some of the modern equipment from the WTVD is probably replacing older models in the STVD, thus modernizing and upgrading the force.

General **Thurman**. Cuba has a considerable military defensive capability, but more importantly, from SOUTHCOM's standpoint, is [deleted]

The threat to democracy from insurgent elements in Guatemala, El Salvador, Honduras, Colombia, and Peru form a basis for our concern about those countries. Until recently, Bolivia was devoid of subversive elements, but now, ideologically diverse groups are beginning to develop.

Progress against these guerrillas is being made. The recent offensive by the FMLN in El Salvador was met with stiff resistance. Adding to the guerrillas' problem was the unexpected snubbing of their cause by the general public in San Salvador. The armed forces in Guatemala and Honduras have also had some success in combating insurgents. Colombia, whose armed forces are fighting both narcotraifickers and insurgents, has scored successes against both. Peru, however, is a different story. The Sendero Luminoso, a particularly violent group, has successfully resisted government efforts to combat them.

Except for the newly emerging groups in Bolivia, most insurgent organizations have been active in this area for many years. That in itself is an indication of the tenacity by which they perpetuate their struggle. The continued survival of their organizations is limited only by the monetary support they receive [deleted].

Senator **McCain**. What is the current balance of Iranian and Iraqi forces, and how has this balance changed since the cease-fire in 1988? To what extent are the acquisition of long range missiles, weapons of mass destruction and new weapons and technologies changing the potential threat each nation poses to friendly states and the flow of oil?

General **Schwarzkopf**. Since the cease-fire, the balance of forces has remained decisively in Iraq's favor—both quantitatively and qualitatively. Only Iran's navy has remained operationally superior to Iraq. While Iraq has rapidly reconstituted its force, Iran is recovering slowly, mainly due to greater losses of men and material and a weak economy.

Perhaps the most disconcerting development in both countries since the end of the war is the growing proliferation and development of missiles and chemical munitions. An arms race between Iran and Iraq will directly affect the stability of the gulf region into the foreseeable future.

The primary missile systems within Iran and Iraq are variants of the Soviet-produced SCUD surface-to-surface missile, capable of striking key oil-related targets in friendly Arab countries. Additionally, Chinese-produced Silkworm missiles have been operationally deployed along the Iranian coast near the Strait of Hormuz for several years. The Silkworm presents a serious threat to oil shipping in the region and is an important concern for USCENTCOM planners.

The acquisition of missiles and the technology to develop a viable delivery system for conventional and chemical warheads affects the stability of the region and, likewise, the flow of oil. Although neither side is expected to resume the war in the next few years, they could threaten to use force against regional states to achieve economic or political advantage.

Senator **McCain**. Could you provide detailed qualitative and quantitative explanation of the changing strategic importance of the Red Sea, and its impact on your mission?

General Schwarzkopf. The sea line of communication (SLOC) which passes through the Red Sea has been, and will continue to be, a vital concern in USCENTCOM's area of responsibility. This SLOC, with its two critical choke points, the Suez Canal in the north and the Bab el Mandeb in the south, is one of the busiest commercial shipping lanes in the world. Approximately 50 ships a day transit these choke points. By comparison, the Panama Canal averages 36 ships per day. This route is essential for the rapid flow of commerce from South Asia to Europe and the United States.

With the completion of Saudi and Iraqi oil transshipment facilities at Yanbu, Saudi Arabia, the Red Sea will even increase in importance. When the planned expansion is completed in the mid 1990s, the Saudi East-West pipeline will be able to transport [deleted]. These facilities will provide a viable alternative to the Strait of Hormuz for the movement of Arabian Peninsula oil to the West.

As important as the Red Sea is during peacetime, it becomes critical during periods of crisis or intraregional conflict. In responding to regional threats, [deleted].

Without the Red Sea shipping lane, the only alternative to reach our AOR is to transit the southern coast of Africa. This route increases the movement distance from the U.S. east coast by over 3,400 nautical miles and requires, on average, an additional 7 days transit—a 40 percent increase in deployment time. Closure of the Red Sea would also prevent the rapid redeployment of friendly forces between the Mediterranean and the Persian Gulf, increasing transit time requirements by almost 400 percent. Likewise, it would limit our ability to rapidly transfer forces between the east coast and Atlantic Ocean to the Indian and Pacific Ocean areas. Without friendly control of this waterway and its two critical choke points, the range of options available for response to any regional crisis would be significantly reduced. In short, the ability to ensure the free flow of traffic through the Red Sea is a critical strategic concern for USCENTCOM during peacetime as well as in times of crisis.

VALUE OF BATTLESHIPS

Senator McCain. What is your opinion of the value of our battleships? What has the impact of eliminating two battleships been on your mission capabilities, and on your ability to use SLCMS?

General Thurman. The value of the battleship as a warfighter is not as high in the SOUTHCOM AOR as in other CINC's theaters because of the threat we face. Therefore the loss of the battleship and the ability to use SLCM's will have minimal effect on the execution of my war plans. However, the battleship is very effective in a "deterrence/show of force" role. Its use in such a role was a recommended option during a recent state of heightened tension along the Honduran/Nicaragua border.

SECURITY ASSISTANCE

General Lindsay. The major problem that USSOCOM, as a supporting CINC, faces is curtailment of access to foreign areas and facilities of tactical and strategic importance. Access to those areas and facilities are required to support combatant CINCs' regional objectives and to permit our forces to gain proficiency and upgrade readiness by training foreign personnel so that they can provide for their own security, precluding direct employment of U.S. troops. Earmarks and reduced levels of security assistance funding are the primary cause of loss of access to those tactical and strategic areas. FMS earmarks for fiscal year 1990 exceeded $4.3 billion and accounted for 91 percent of total security assistance funding. Additionally, 1990 funding was $37 million below 1989 funding levels and was 7.2 percent below requested amount. Combination of earmarks and reductions in overall funding have necessitated crippling cuts in remaining SA programs thereby greatly reducing USSOCOM support activities and readiness training opportunities. Moreover, restrictions in Foreign Assistance Act of 1961 and the Arms Export Control Act prevent use of O&M funds to supplement security assistance type training. As stated in the 1990 SECDEF Annual Report to Congress, "Without adequate assistance, there is great risk that we will lose regional influence around the world, and that regional conflicts could expand, necessitating direct involvement of U.S. Forces." Other risks of continued underfunding of security assistance include:

"—Decreasing our ability to assist in the pursuit of regional stability in the Middle East . . .

—Foregoing the opportunity to assist countries confronted by illicit and often violent drug trafficking, and narcotics related corruption.

—Wasting prior investment by terminating assistance needed to complete modernization programs now under way, while existing programs receive funds insufficient even to maintain equipment on hand."

Lack of adequate assistance risks jeopardizing our ability to assist friendly countries throughout the world, especially in less developed countries facing low intensity conflicts, drug trafficking, and terrorism (such as Latin America, Africa, Philippines, etc.). Congress stated in Section 1453 of DOD Authorization Act of 1986 (P.L. 99-145) that "Special Operations Forces are the military mainstay of the United States for the purposes of nation building and training friendly foreign forces in order to preclude deployment or combat involving the conventional or strategic forces of the United States." Current limits on FMS and security assistance diminishes our efforts toward those goals.

SEALIFT

Senator **McCain**. To what extent can improved sealift provide the redeployment capability we will need for power projection? To what extent does improved sealift have on a higher contingency priority than funding the C-17, assuming currently projected budget constraints?

General **Schwarzkopf**. The improved capability of the proposed NSL-7 fast sealift ship would deliver 50 percent more cargo per ship than existing merchant shipping. The increase in both lift capacity and speed would improve our ability to deploy forces to Southwest Asia. Presently, it takes a merchant cargo vessel approximately 4 weeks from commencement of stateside loading to discharge of cargo in our area of operations. The proposed NSL-7 would increase lift capacity by more than 50 percent and decrease transit time by 2 weeks, as compared to generic Breakbulk ships. The NSL-7 would reduce the overall number of ships and crews required to deploy our force and also reduce the number of personnel required to maintain the fleet.

The C-17 and NSL-7 are equally critical. Each provides a unique capability. The C-17 provides rapid, dual strategic/theater deployment capability to project operating equipment and supplies. Critical elements of our combat forces would deploy by air and draw from pre-positioned equipment and supplies while the remainder would travel by sea. The crucial element in the equation is obtaining the optimum mix of air and sealift assets that best meets operational requirements.

General **Thurman**. [Deleted.]

NAVAL ARMS CONTROL

Senator **McCain**. What is your view of the current options for naval arms control in your area of operations?

General **Schwarzkopf**. There are no identifiable options for naval arms control in the Middle East. This region is characterized by international sea lines of communication vital to international commerce. Naval, as well as civilian merchant ships, ply these waters in pursuit of both national security and trade interests. Arms control measures that would constrain the free passage of maritime traffic, such as prenotification of innocent passage, keep-out zones, or prohibitions on the right of nations to protect their commercial shipping on the high seas would be highly undesirable.

The administration remains dedicated to bringing both START and CFE to a successful conclusion within the agreed general timelines. Although the Soviets have continually attempted to introduce naval arms control into these and other fora, the U.S. has resisted both on the grounds of appropriateness and priority. Reduction of superpower nuclear arsenals and the Soviet asymmetry in ground forces in Europe are not only our two principal goals, but they also involve an extremely complex series of negotiations. Introduction of naval arms control issues, particularly regional issues, would only detract from the primary focus of these talks.

FORCE STRENGTH

Senator **McCain**. Could you discuss in detail the minimum U.S. force strength you feel is necessary to support your mission in current planning contingencies, and indicate any shortfalls not funded in the current budget and FYDP?

General **Schwarzkopf**. The balance of power in SWA has been altered by the Iran/Iraq war and the reduced near-term Soviet threat to the region. As a result, we are refocusing our primary strategy from preparing to [deleted] to an emphasis on contingencies resulting from the spillover of regional conflicts. As our planning process continues, we will be better able to define the minimum force required. While the President's fiscal year 1991 budget proposal will provide the funds necessary for current operations, it is still too early to identify any programmatic adjustments which may be required during the remaining years of the current FYDP. We are working with the services in their fiscal years 1992-1997 POM development process to identify necessary programmatic adjustments and to ensure that their budget requests provide the forces and capabilities needed to accomplish our mission.

General THURMAN. [Deleted].

President Bush has stated that there will be no contingency operations in the Andean Ridge nations requiring the presence of U.S. military combat forces.

[Deleted.]

U.S. forces in Panama have already been reduced to the pre-Operation JUST CAUSE level. The requirements for military operations in support of the Panamanian Public Forces rebuilding is decreasing, and the responsibility of USSOUTHCOM is returning to that specified under the Panama Canal Treaties. Thus a reassessment of the military strength requirements to ensure any contingency would be effectively resolved is being analyzed.

Senator MCCAIN. What are the latest trends in allied offset and burdensharing efforts to reduce the cost of deploying U.S. forces.

General SCHWARZKOPF. The connotations of allied or friendly nation offsets or burdensharing do not have the same meaning in SWA as they do for Europe or Japan, where there are formal mutual defense agreements with the United States. Since no agreements for common defense have been negotiated with the nations in SWA, there is no basis for formal discussions on how regional nations could offset costs associated with the deployment of U.S. forces to protect our interests. The recent Earnest Will operations demonstrated our commitment to SWA's security. As a result, regional leaders have been more willing to rely on the United States as a long-term, defense partner.

Many of the nations have been providing quiet support even though political realities have made open friendship with the United States a potentially dangerous association. [Deleted.] This support has been provided without written agreements or public notice. In fact, the nations providing the support have asked that we do not openly acknowledge their activities. Because of this secrecy, there is a tendency to assume nothing is being done by our regional friends to support our mutual interests. This impression is false and the level of support being provided to the United States is significant.

Senator MCCAIN. A great deal of discussion is now taking place about the need to find alternatives to forward deployment. What alternatives do you feel exist, and what risks do they impose?

General SCHWARZKOPF. With limited permanently assigned forces afloat and no ground forces forward deployed in our AOR, USCENTCOM operates in the "alternative" mode during peacetime. During a contingency, our alternative to forward deployment is rapid response with our maritime forces—including naval combatants and marine amphibious ships—and with our Army and Air Force units via strategic lift. Deploying units would initially rely heavily on pre-positioned supplies and equipment in both the AOR and on prepo ships.

Our challenge during the foreseeable future is to refine our strategy to meet the changing threat while ensuring an adequate mix of combat forces, airlift, sealift, and pre-positioning to allow for rapid response to contingencies in the region.

The risk associated with these alternatives to forward deployment is that rapid response and sustainment relies heavily on maritime forces and strategic lift. Consequently, we need continued support of maritime and strategic lift modernization programs.

Senator MCCAIN. You refer to reductions in personnel readiness and shortfalls in material readiness. Could you provide a detailed list showing the size of these reductions and shortfalls?

General SCHWARZKOPF. Although I did not specifically discuss personnel or material readiness during this year's testimony, I will be pleased to respond to your inquiry. Personnel and equipment readiness rates have remained relatively constant during my tenure as CINC, and do not preclude successful accomplishment of my mission.

The level of readiness of Navy and Marine forces apportioned to USCENTCOM has remained consistently high. Likewise, the readiness of my Air Force component has remained high, with one exception—the potential exists for reduced equipment readiness [deleted].

My main concern is with the Army Combat Support (CS) and Combat Service Support (CSS) units, primarily in the Reserve component. While reserve units have made dramatic progress in this area, there is still room for improvement.

[Deleted.]

Senator McCain. Is there currently adequate amphibious lift capability dedicated to your command to execute contingency amphibious lift requirements? If not, what is the shortfall?

General Schwarzkopf. As of today, the amphibious lift capability dedicated to USCENTCOM is sufficient to execute contingency plans. However, my concern is that the projected block obsolescence of amphibious ships in the 1990s will create a shortfall in amphibious lift capability and severely limit my options to respond to a crisis of regional contingency. Therefore, it is imperative that the modernization of amphibious platforms proceed according to plan.

FORCE STRUCTURE INCREASE

Senator McCain. You refer to the need to increase the forces under your command, and to improve their readiness and equipment, and that you are working on a new program as part of planning for the fiscal years 1992–1997 FYDP. Could you describe your needs in as much detail as possible and indicate which needs are and are not funded under the fiscal year 1991 budget request and the current FYDP?

General Lindsay. We need to increase our force structure and the fiscal year 1991 budget request supports bringing our 5th active special forces group to full operational capability and increasing our SEAL forces from 50 to 60 fully capable SEAL platoons. The fiscal year 1991 budget supports our SOF revitalization, and the following major items of equipment will be procured in fiscal year 1991: SOF modifications of: 2 each MH-47E, 5 each MH-60K, 10 each MC-130H, 14 each MC-130E Combat Talons; 2 each Aircrew Training Systems; 1,090,000 rounds of 25mm ammunition and $44.9 million for various communications systems. The fiscal years 1992–1997 program for SOF is currently being developed by the USSOCOM staff and is an opportunity for us to support SOF's most critical requirements.

CHANGES IN WARSAW PACT AND EFFECT ON STRATEGY

Senator McCain. To what extent are the changes taking place in Soviet and East European military capabilities affecting your current strategy and force requirements? What overall changes, if any, do you feel are needed in our current strategy and force requirements over the next few years that affect your command?

THE CHANGING WORLD OF THE 1990S

General Lindsay. The changing nature of the Warsaw Pact will dominate political thought and military posturing in the coming decade. U.S. military planners and intelligence analysts face a period of intense readjustment in relation to the threat picture being presented in Eastern Europe. The bi-polar world of the U.S.S.R. versus the United States and their respective allies is quickly being replaced with a new array of emerging national and regional power groupings. Throughout the globe, the influence of terrorism, drug trafficking, and financial manipulation are coming to the fore in reshaping national policy.

Ideological and economic struggles continue to demand change in the political orders of the 1990s; whether through violent or other destabilizing means they will continue for the foreseeable future. The intensity of the struggles has been categorized as either high, mid, or low-intensity conflicts. Soviet arms reductions, and the attenuation of military contributions, and reliability of the non-Soviet Warsaw Pact member nations have reduced the threat in the high and mid-intensity level. However, terrorism, insurgency, instability, and subversion have grown in the face of rising nationalism and religious fanaticism. Within the LIC environment, the diversity of situations increases the complexity with which our forces will contend. While the probability of the HIC and MIC threat appears to be somewhat mitigated, there has been an increase in the prospect for LIC involving U.S. interests at home and abroad. The United States must focus on the early detection of potential LIC situations to provide the greatest opportunity to secure peaceful solutions, and maintain a continuing capability to respond should peaceful solutions fail. SOF provide the mechanism for the indirect application of military power through such programs as security assistance and foreign internal defense in the Third World. If the level of conflict increases, SOF will play an increasing role in peacekeeping, contingency, counterterrorism, and counternarcotics operations. The balanced application of political, economic, informational, and military instruments of power is fundamental to success.

USSOCOM STRATEGY

As we focus presently on the low-intensity end of the conflict spectrum, we must be prepared to employ our forces across the continuum. To do this the department has prioritized the four key pillars of defense for special operations forces consistent with our overall force modernization program.

Special operations are essentially of a politico-military nature, usually affected more directly by political considerations than are conventional operations. Special operations, psychological operations, and civil affairs activities may be conducted independently or in coordination with conventional operations during peace or hostilities when conventional operations are inappropriate or infeasible. Special operations are frequently of a high risk nature and are conducted in enemy-held, denied, or sensitive territory by specially trained, equipped, and organized forces in pursuit of national, military, political, economic, or psychological objectives. The role of SOF in peace or conflict includes the ability to conduct operations anywhere in the world, any time, and in more than one area of responsibility. To achieve this capability involves meeting a series of subordinate goals to organize, train, equip, and size properly SO force structure to meet theater requirements.

In the decade of the 1990s, the principal role for the Armed Forces will be maintenance of a credible deterrent force capable of reacting rapidly and effectively to worldwide crises or contingencies, threats to our national interests, and the need for interdiction of illicit drug smuggling into the United States.

As the threat of a direct confrontation with the Soviets takes a back seat in the planning process and threat equation development, it is being replaced by the threat posed by those elements that we call collectively low-intensity conflict. No one military capability or type of force can be singled out as the answer to resolving LIC situations. Most U.S. military capabilities that can be employed across the entire spectrum of conflict can also be tailored to accomplish specific tasks in LIC. The goal is to develop both conventional and special operations capabilities that address appropriately the level and nature of the threat posed by LIC while remaining mutually supportive. The most cost effective and appropriate means to achieve national goals in LIC will likely be indirect rather than direct application of the military instrument of power. Within the LIC environment, combating terrorism and narco-trafficking deserve separate consideration.

The DOD program to combat terrorism is divided into two principal components: antiterrorism and counterterrorism. Antiterrorism is the "defensive measures used to reduce the vulnerability of individuals and property to terrorism." Counterterrorism is "offensive measures taken to prevent, deter, or respond to terrorism." In both respects, it is the responsibility of SOF to continue to support the interagency program to combat terrorism, and continue to reinforce international cooperation as the key to the national combating terrorism program. SOF is supporting the national counternarcotics program through programs to assist and train DEA personnel and host nation military and police forces in field and riverine operations, small unit tactics, intelligence collection and analysis, and specialized courses of instruction on foreign internal defense and equipment.

The decade of the 1990s will see a renewed emphasis on operational planning that incorporates speed, stealth, and surprise. Special Operations Forces have the flexibility and operational capability for application across the spectrum. These capabilities support the current and evolving goals of our strategies.

SUMMARY NET ASSESSMENT OF U.S. VERSUS U.S.S.R.

Senator McCAIN. Could you provide a summary net assessment of how your force strength and capabilities compare with those of the U.S.S.R.?

General LINDSAY. In terms of strength, [deleted]. In comparison, U.S. SOF forces which have similar missions are comprised of approximately 6,600 active duty Special Forces (SF) soldiers and 1,900 active duty Rangers, with an additional 6,600 SF in the Reserve components. Additionally, we have at present 43 SEAL platoons comprising about 700 operating personnel in our Naval Special Operations component. SPETZNAZ have no organic infiltration/exfiltration supporting units like U.S. Air Force or Army Special Operations Aviations units. In terms of capability, comparisons are somewhat more difficult. While the missions of Soviet SPETZNAZ and U.S. SOF are generally similar in war, involving behind the lines conduct of unconventional warfare, direct action, and reconnaissance activities; SPETZNAZ activities in peacetime focus on intelligence collection, target identification, and disinformation rather than the Nation building and contingency response activities of U.S. SOF. In another vein, our forces are comprised of volunteers who maintain a professional SOF career track. SPETZNAZ, while selected based on their loyalty, physical abilities, and demonstrated initiative, are sourced from draftees—60 percent to 70 percent of their personnel are 2 year conscripts. In the final analysis, while Soviet SPETZNAZ forces are larger than U.S. SO forces, I'd say ours have more capability, both on an organizational and individual basis.

COMMUNICATIONS REQUIREMENTS

Senator McCain. What are your current C^3I requirements and are they fully funded in the fiscal year 1991 budget request and the current FYDP? What are the mission limiting aspects of the under funding, and what is the dollar shortfall in each area?

General Lindsay. To answer your questions properly, I will address each of the service's Special Operations Forces (SOF) communications requirements separately. For reference, gaining fiscal support for SOF communications requirements is one of my highest priorities as indicated by my POM guidance to my staff and my Integrated Priority List.

Starting with the Army, SOF team communications needs $32 million above the current fiscal year 1991 funding level to support needed tactical satellite radios (LST-5C/D), Table Top Base Station, and Special Operations Improved Cryptographic System (SOICS). The recent Panama operation (JUST CAUSE) after action reports confirmed a need for increased numbers of these team level radio capabilities. Above team communications is under funded by the amount of $31 million to modernize and automate tactical message distribution. Programs in this category are the Special Operations Communication Assemblage (SOCA) (command and control liaison package), the Lightweight Deployable Communications System 1 and 2 (LDC 1/2) (tactical local area networks), and the TSC 122 (HF Multichannel Radio System). The total shortfall amount needed for Army SOF communications is $63 million. If the funds were made available in fiscal year 1991, the FYDP would be fully funded for Army SOF communications through fiscal year 1994. Not funding these programs critically effects Army SOF interoperability with other service's SOF, and, in the case of SOICS, SOCA, LDC 1/2, significantly impacts the very heart of command and control at both the team and above team level.

The FYDP in the Air Force tactical SOF communications is centered on completion of six special operations communications and intelligence vans, replacement and downsizing of communications radio gear, and completion of the team level (special operations weather teams, combat control teams, para-rescue teams, and contingency communications elements) communications procurement. All tactical communications buys are fully funded with no shortfalls within the FYDP. Also being worked as a new POM initiative is intelligence terminal equipment to provide a workable intelligence data receipt and processing capability within the new tactical intelligence van. This initiative includes CONSTANT SOURCE, multi-spectral imagery, and satellite communications gear. A major shortfall, however, exists in the fixed communications area. Approximately $1 million in procurement dollars is required beginning in fiscal years 1990-1991 and approximately $400K in Operations and Maintenance dollars per year to upgrade and automate the 23rd Air Force Headquarters and link data communications via local and wide area computer networks down to the SOF units. The 23rd Air Force is seriously behind the other USSOCOM components in providing computer automation to support expanding mission planning and program acquisition roles being levied on the headquarters.

As with the other USSOCOM components, the Navy's fiscal year 1991 priority for Naval Special Warfare (NSW) is team communications.

Historically, the Navy has level funded NSW C^3I programs at $3-$4 million per year, well below required funding levels. With the exception of AN/PRC-112 handheld survival radios, the Navy has sufficient funding to meet its mission essential team communications requirements; however, its inventory for above team (tactical headquarters) communications is under funded. For fiscal year 1991, MSW will require an additional $1.3 million for survival radios and $3.5 million for upgrades to one Task Group (TG) C^3 van and procurement of three Task Unit (TU) C^3 vans. Over the course of the FYDP NSW requires a total of $58 million to equip to 80 percent of its operational inventory requirements at the team, about team, and headquarters levels. This is $48 million above currently authorized funding levels. In addition to meeting required equipment levels, this plus-up will allow NSW to acquire the requisite equipment, such as LDC 1/2 and the Special Operations Improved Cryptographic System (SOICS), needed to modernize its C^3 inventory to ensure interoperability with the other USSOCOM components. Failure to provide additional funding for fiscal year 1991 will continue to perpetuate NSW C^3 command and control problems between deployed tactical headquarters and SEAL platoon in the field. Additionally, NSW will continue to lag the other components in meeting its interoperability requirements.

MINIMUM FORCE REQUIRED

Senator McCAIN. Could you discuss in detail the minimum U.S. force strength you feel will be necessary to support your mission in current planning contingencies, and indicate any shortfalls not funded in the current budget and FYDP?

General LINDSAY. Currently our Joint Mission Analysis is examining, theater-by-theater, force structure requirements for SOF. This process will validate, with the supported CINC's concurrence, the minimum risk SOF force structure (to include supporting air and maritime lift). This process will be complete in June 1991. At that time your question can be completely and comprehensively answered.

Our force structure is growing by a small amount. We are standing up one additional Special Forces Group and additional SEAL platoons to meet current requirements. Certain SOF support units, such as those dealing with communications, logistics support, and others are being increased, as well. I believe our JMA study will validate this force structure as sufficient in the near and mid-term. SOF forces are elite and small by mission definition.

SHORTFALL IN ANTI-ARMOR CAPABILITY

Senator McCAIN. What will the short fall in anti-armor capability of your command be if the AH-64 program is terminated at current programmed levels? What is the impact of this in terms of war fighting capability? What is programmed to fill the anti-tank threat gap created?

General LINDSAY. An airborne anti-armor capability is not a functional requirement of Special Operations; consequently, it will not affect the war fighting capability of USSOCOM per se. The AH-64 aircraft was however used very successfully to support Operation Just Cause; therefore, it has value in certain types of contingency missions.

General THURMAN. In a conflict against a force with an effective armor capability, i.e., Nicaragua, SOUTHCOM depends on the anti-armor capabilities of the AH-64, AH-1G, F-16, and the A-10 aircraft. The AH-64 provides a rapidly responding and tactically flexible anti-armor capability required by a ground commander. Because of a very limited number of tactical fixed-wing airfields and suitable road networks, the addition of more F-16s/A-10s or ground anti-armor assets would not offset the loss of the AH-64. Its loss would degrade our most effective anti-armor capability.

LHX

Senator McCAIN. Please discuss the requirement for the LHX in your current land war scenario? How critical is the capability of the LHX to the prosecution of war for your command?

General LINDSAY. This command requires the capability to provide accurate fire support for our forces in both contingency and counterterrorism operations. Our Joint Mission Analysis (JMA) will help us evaluate our mid 1990s capability and project follow-on requirements for that mission. The JMA will then be complemented by our mobility equipment master planning effort which will ensure the planned systems are supportable by the projected airlift assets and are adaptable to special operations tactics and techniques. This will be especially critical for any fire support capability such as LHX represents. Thus far we are impressed by the contribution that LHX is intended to provide; and regardless of whether or not LHX is included in our force structure, we expect the LHX R&D effort to provide valuable technology for certain types of future SOF aircraft.

General THURMAN. The LHX is not specifically part of the planning inventory for USCINCSO, and does not currently figure into our land war scenario.

AIRLIFT CAPABILITY

Senator McCAIN. Is there currently adequate specialized lift capability dedicated to your command to execute contingency requirements? If not, what is the shortfall?

General LINDSAY. SOF aviation's overall capability to perform contingency operation missions is very good. However, the primary common limitation to support wartime plans is the shortage of air infiltration/exfiltration/resupply platforms. Current service programs address these limitations with modest growth in airlift capability, primarily the addition of MC-130 Combat Talons and MH-53 PAVE LOWS to the existing Air Force SOF fleet and additional modernized lift assets for Army

SOF aviation. Even with full funding support in these programs, the shortage of long-range exfiltration aircraft with the termination of the CV-22 program will remain acute.

AMMUNITION

Senator McCAIN. What are our ammunition war fighting stock levels? What are the programmed buys and what impact will they have in bringing the levels up to requirements?

General LINDSAY. Ammunition stock levels must be addressed with two points in mind. First, only SOF peculiar ammunition will be addressed. Second, ammunition levels will be addressed in terms of funding the War Reserve Material (WRM) requirement of 60 days.

AFSOF peculiar ammunition is divided into three types, 105 mm, 40 mm, and 25 mm. [Deleted.] Programmed buys exist in fiscal years 1991 and 1992 for $15 million and $10 million. The $15 million will buy testing and training 25 mm ammo while the $10 million will buy 105 mm WRM. Fielding the new AC-130U gun ships greatly increases the fiscal year 1992-1997 WRM and training requirements which, in turn, greatly exasperates the existing WRM shortage. [Deleted.] There are no training requirements for this munition.

NAVSOF peculiar ammunition is divided into three categories, Pyrodemo, Other Shipboard Gun Ammo (OSGA), and Small Arms (SA). [Deleted.] However, Navy funds cross-walked to MFP 11 through fiscal year 1997 will bring these inventories up to 55 percent of the requirement.

SOCOM has an inventory objective of 60 days WRM. Subject to constraints imposed by fiscal guidance, SOCOM's intent is to program sufficient funds to achieve its inventory objective by fiscal year 1997.

General THURMAN. Since our ammunition requirements are so low compared to other CINC's and our ammunition is not unique, all that we require is currently in the Services Inventory. Therefore, programming is not necessary.

PROJECTION POWER CAPABILITIES IN THE MIDDLE EAST

Senator McCAIN. Could you provide an analysis of the capabilities that other western states have in projection power to the region, and indicate the trends in such capabilities by country, and whether they will increase or reduce the need for U.S. power projection capabilities?

General SCHWARZKOPF. [Deleted.]

Turkey shares common borders with Syria, Iran, and Iraq and thus is in an excellent position to conduct operation in the CENTCOM Area, [deleted].

Allied willingness to intervene in the CENTCOM area would be determined exclusively by their perceptions of national interests, which may or may not coincide with U.S. interests.

[Deleted.]

NET ASSESSMENT

Senator McCAIN. Please describe your net assessment activities over the last 2 years in detail? What further improvements do you expect to make in such activities?

General THURMAN. Production of the old regional security strategy resulted in long term goals and objectives for the region; however, interagency review reflects considerable inefficiencies in the USG efforts. During the last 9 months a new theater assessment and SOUTHCOM strategy has been written. We are currently coordinating these products in the Joint Staff and with the Country Teams. Concurrently, review and adjustments to increased counternarcotics capabilities have been made in the last 5 months.

SOUTHCOM strategy is a strawman for better interagency cooperation and is based on a long term threat assessment.

Daily staff intelligence updates with CINC and primary Joint Staff present review the current and the projected threat situation within theater in four areas.

—Counternarcotics
—Socioeconomics
—Counter-Insurgency
—Political/Strategic

Further Improvements:

Long-term challenge is to develop and effective partnership and consensus with key players in the region.

Counternarcotics Training for Host Nations.

LATAM nation-to-nation cooperation.

Promote Inter-American/joint exercise programs emphasizing interoperability and Host Nation leadership in combined security operations.

Developing mature relations within theater countries.

Encourage nation building efforts.

AH–64 PROGRAM

Senator McCain. What will the short fall in anti-armor capability of your command be if the AH–6k program is terminated at current programmed levels? What is the impact of this in terms of war fighting capability? What is programmed to fill the anti-tank threat gap created?

[Answer to question was not supplied by General Schwarzkopf in time for printing and will be retained in the committee files.]

LHX

Senator McCain. Please discuss the requirement for the LHX in your current war scenario. How critical is the capability of the LHX to the prosecution of war for your command?

[Answer to question was not supplied by General Schwarzkopf in time for printing and will be retained in the committee files.]

Question Submitted by Senator Trent Lott

SEALIFT

Senator Lott. It seems to me that the limitation of ground bases in the region also increases the criticality of sealift, in the event of military intervention. Would you agree that sealift is especially important in the Middle East? Why do you suppose the Navy has not fully embraced sealift? Doesn't sealift fall into the U.S. Navy mission?

General Schwarzkopf. I agree with your assessment of sealift. The capability to deploy equipment and materiel to the Middle East by sealift is indeed critical. The lack of bases and forward-deployed ground forces increases my reliance on sealift. Although a task force can rapidly deploy by air, 90 percent of my equipment and materiel must move by sea. To put it in perspective, it would take the simultaneous deployment of over 300 C–141 aircraft to match the equivalent capacity of an average-size ship.

In the last decade, the Navy has spent nearly $7 billion on strategic sealift. Since 1980 we have seen the purchase and conversion of eight EX–SL7 containerships, the leasing of the maritime pre-positioning ships and the stationing of afloat pre-positioning ships. But even this level of investment has only partially offset the decline of the commercial Merchant Marine. In light of the systemic problems contributing to the decline of the merchant fleet, the Navy endorses the long term solution which, under the National Sealift Policy, is the revitalization of the commercial Merchant Marine.

[Whereupon, at 4:31 p.m. the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

WEDNESDAY, FEBRUARY 21, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

MILITARY STRATEGY AND OPERATIONAL REQUIREMENTS FOR RAPID REINFORCEMENT AND ASSOCIATED TRANSPORTATION REQUIREMENTS

The committee met, pursuant to notice, at 9:04 a.m., in room SR-222, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Dixon, Shelby, Warner, Thurmond, Wallop, Gorton, and Lott.

Committee staff members present: Arnold L. Punaro, staff director; Richard D. DeBobes, counsel; and Daniel G. Sakura, research assistant.

Professional staff members present: John J. Hamre, David S. Lyles, Michael J. McCord, and Norman G. Mosher.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; George K. Johnson, Jr., Ronald P. Kelly, George W. Lauffer, Durwood W. Ringo, Jr., and Mark B. Robinson, professional staff members.

Staff assistants present: Kelli J. Pronovost and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; William J. Lynn, assistant to Senator Kennedy; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Terence M. Lynch, assistant to Senator Shelby; Patrick F. McCartan, assistant to Senator Wilson; Anthony H. Cordesman, assistant to Senator McCain; Lee W. Whittaker, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman NUNN. The committee will come to order.

This morning our committee continues our hearings on the implications of the changes in the Soviet Union and Eastern Europe for western strategy and security.

The central question on these hearings continues to be the extent to which the threat on which our national security policy, military strategy and budgets have been based for a long number of years is changing, how much the threat is changing, and what we should do about it.

Today we focus on the military strategy and operational requirements for rapid reinforcement and associated lift requirements with the two CINCs having these primary responsibilities.

Although a number of elements of our future strategy remain unclear, it is certain that there will be a reduction in relative terms in those forces that are forward deployed. More of America's combat capability will be located in the United States and will have to be mobilized and transported in times of need.

In addition, the relative balance between Active duty and Reserve forces will likely shift with more of the burden falling on Reserve forces. The implication of this new military posture will fall to a great extent on the shoulders of our two witnesses today, Gen. Edwin H. Burba, Jr., is the Commander in Chief of Forces Command. General Burba commands all Army Active and Reserve component Forces stationed in the United States and is responsible for ensuring that these forces are properly trained, equipped and ready to respond to a host of contingencies, and we are delighted that he is here with us this morning. I am also pleased that Forces Command is located in the State of Georgia.

Gen. Hansford T. Johnson is the Commander in Chief of the U.S. Transportation Command. General Johnson has the requirement of delivering those forces with the combined assets of our airlift and sealift fleets to wherever they are needed.

We have asked both of these CINCs to testify on their military strategy and operational requirements. I ask unanimous consent that our letters of invitation be inserted in the record. They will without objection. [The letters referred to follow:]

U.S. Senate,
Committee on Armed Services,
Washington, DC., January 3, 1990.

Gen. Edwin H. Burba, Jr., USA
Commander in Chief, U.S. Forces Command,
Fort McPherson, GA.

Dear General Burba: For many years, the Committee on Armed Services has invited the unified and specified combatant commanders to testify on their military strategy and operational requirements. We are writing to ask you to testify on these important matters before the Committee in February 1990.

Before the Armed Services Committee holds the hearings to which you and other combatant commanders have been invited to testify, it intends to conduct a series of hearings on the implications of changes in the Soviet Union and Eastern Europe for Western security. The central question of these hearings will be the extent to which the threat on which our past national security policy, military strategy, and budgets were based is changing. We would welcome any comments that you would like to make on this subject during your testimony.

In addition, as in previous years, your testimony on the military strategy in your command's area of responsibility will contribute to the Committee's continuing interest in U.S. national security strategy. In particular, we would appreciate your describing your military objectives, the capabilities of the military forces available to achieve them, and, most importantly, the strategy that links those objectives and capabilities.

We would also ask you to present your views on your command's operational requirements. Specifically, we would like you to identify critical operational deficiencies, the priorities you have established for correcting these deficiencies, and the extent to which President Bush's amended defense budget request for fiscal year 1991 corrects these deficiencies. This information would form a useful "baseline" for the Committee's use in evaluating the extent to which the amended defense budget request supports your priorities.

Finally, we would appreciate your testimony on the status in your command of implementation of the Goldwater-Nichols Department of Defense Reorganization Act of 1986. In this regard, we are interested in the extent to which the legislation has strengthened your authority, any problems you have encountered in implementing the legislation, and any recommendations you have for remedies to these problems.

We have invited the Commander in Chief of the U.S. Transportation Command to join you in testifying at a single hearing dedicated to mobility and rapid reinforcement. Although the Committee's schedule is uncertain at this time, we hope to hold this hearing during the week of February 19th. The staff of the Armed Services Committee will work with the office of the Chairman of the Joint Chiefs of Staff to coordinate the Committee's schedule and your availability. In the meantime, if you have any questions, please ask your staff to contact John Hamre on the Committee staff at (202) 224-9338.

Thank you for your willingness to testify. We look forward to seeing you at this hearing.

Sincerely,

SAM NUNN,
Chairman.
JOHN W. WARNER,
Ranking Minority Member

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC, January 3, 1990.

Gen. HANSFORD T. JOHNSON, USAF
Commander in Chief, U.S. Transportation Command,
Scott Air Force Base, IL.

DEAR GENERAL JOHNSON: For many years, the Committee on Armed Services has invited the unified and specified combatant commanders to testify on their military strategy and operational requirements. We are writing to ask you to testify on these important matters before the Committee in February 1990.

Before the Armed Services Committee holds the hearings to which you and other combatant commanders have been invited to testify, it intends to conduct a series of hearings on the implications of changes in the Soviet Union and Eastern Europe for Western security. The central question of these hearings will be the extent to which the threat on which our past national security policy, military strategy, and budgets were based is changing. We would welcome any comments that you would like to make on this subject during your testimony.

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Committee will work with the office of the Chairman of the Joint Chiefs of Staff to coordinate the Committee's schedule and your availability. In the meantime, if you have any questions, please ask your staff to contact John Hamre on the Committee staff at (202) 224-9338.

Thank you for your willingness to testify. We look forward to seeing you at this hearing.

Sincerely,

SAM NUNN,
Chairman.
JOHN W. WARNER,
Ranking Minority Member.

Chairman NUNN. I would also like to take this opportunity to commend both General Burba and General Johnson for the outstanding performance of the forces under your commands in Operation Just Cause. FORSCOM supplied certain forces for the operation and Transportation Command provided the airlift assets.

We look forward to receiving your testimony this morning. I know Senator Warner is on a tight schedule this morning with a meeting at the White House, and I will ask him for any comments he would like to make and if you have any questions you would like to make, I would ask that we take them at this time. Senator Warner.

Senator WARNER. Thank you, Mr. Chairman. I would simply apologize for having to depart here momentarily to join others at a meeting with the President, but I certainly wish to associate myself with the comments of our distinguished Chairman with respect to the performance of not only those under your command but all commands in Panama.

I was particularly intrigued by the complexity of the transportation, General Johnson, the number of refuelings, the precision with which that operation was carried out, and the high dependence on mobility.

I think as we go into this new era of defense planning for our Nation, greater emphasis must be placed upon mobility and units that can be rapidly deployed. In all likelihood we will be shrinking our forward deployed elements. Certainly the President has stated that with reference to the Central European Command.

The Secretary of Defense has laid down an early benchmark with respect to South Korea and, in my judgment, this puts a greater burden on the ability of both of you to train and have the assets available together with the trained personnel for purposes of rapid lead deployment if that becomes necessary in certain contingencies.

Thank you, Mr. Chairman.

Chairman NUNN Thank you, Senator Warner.

I believe this morning, General Burba, you are going to lead off. We would be delighted to have your testimony and then we will turn to General Johnson, and then we will ask questions after that.

STATEMENT OF GEN. EDWIN H. BURBA, JR., COMMANDER IN CHIEF, FORCES COMMAND

General BURBA. Mr. Chairman and distinguished members of the committee, it is indeed an honor for me to be here today to testify on matters of national security as they apply to the Forces Command.

There are many elements of our national strategy, but four apply primarily to the FORSCOM mission: forward defense, flexible response, the use of alliances, and importantly mobilization, the use of mobilized forces.

We derive our two principal missions from those strategic concepts. The first mission is to provide forces to reinforce our forward deployed forces overseas. An important aspect of that, of course, is how many of these forces are Active components, highly ready to fight, highly ready to be deployed.

The second major mission is to provide forces in areas where we do not have forward deployed forces to fight in true contingency-type situations.

Forces Command has two other important missions, one dealing with the land defense of the continental United States and also military support to civilian authorities. In the last year that has become an increasingly important mission for us as we have been asked to respond to disasters relating to major forest fires, oil spills, hurricanes, earthquakes, and now we are deeply involved in the counternarcotics business.

To respond to those missions Forces Command has been designated as a specified combatant command, which means it is a joint command whose forces principally come from one service, in our case the Army.

We take this very seriously, the joint capability, and it has paid enormous dividends for us throughout the last couple of years, most recently in Panama.

To perform those missions we have a force structure that is balanced, balanced in terms of heavy forces and light forces, balanced in terms of reinforcing forces and contingency forces, and balanced in terms of Active components and Reserve component makeup.

The command has three corps, one oriented on Europe, one on the Pacific, and one a true contingency corps focused on the non-forward deployed areas.

On the Active component side of the house we have six heavy divisions and five light divisions. In the National Guard we have nine heavy and one light division. The Army Reserve provides us critically important support missions. There are 300,000 in the U.S. Army Reserve, and they provide 4 percent of our combat service support and other combat support to boot.

We are truly a total army. As I mentioned, the Army Reserve provides an enormous amount of our support units. Importantly, the National Guard provides almost 50 percent of our combat units. In our Active component divisions that reinforce our overseas forces, one brigade, one third of the maneuver combat power, is a National Guard unit, a so-called round out brigade. Also in other brigades in those reinforcing forces we have National Guard round out battalions. So, we are a truly integrated total army, integrated with Active and Reserve components.

I, as a CINC, have been deeply involved with discussions relating to the President's budget for 1991 and the ensuing discussions on the programs for the outyears. I agree with the President's budget. I think that given the domestic realities, given the changes that are occurring in Europe that they are sound militarily, they are prudent and very importantly, they are flexible. They will allow us to make changes, if changes are in order due to changes in the international environment.

The issues that we have discussed in some depth have been related to: given the drawdown in Europe, how many forces are required in Forces Command; what should their makeup be, (Active component, Reserve component); what should the makeup be of our reinforcing forces; what should the makeup be of our contingency forces and what is the proper mix of Active and Reserve components in those forces? How much of our combat structure can be turned over to Reserve components and likewise with our combat support and combat service support?

Importantly, what is the world going to look like 5 to 10 years from now in the contingency arena? The changes in Europe would give us cause to think that possibly we could move some of our Active component heavy structure into the Reserve components, but we have heard General Schwarzkopf comment on his concerns on Southwest Asia. We share those concerns, and we feel that we must be careful of how we change our contingency forces, and we must be careful of too precipitously moving our heavy structure into the Reserve component, more so than we already have at this time.

We have also looked in depth at the readiness issues associated with the Active components and the Reserve components given their missions and their deployment times. We have discussed in depth the warning time issue and how that impacts on how much structure should be in the Active components and the Reserve components.

We have looked at how we can improve the readiness of the Reserve components on a whole host of issues that affect the budget and as we draw down how can we pull up the readiness of the Reserve components.

How much of the force both Active and Reserve needs to be fully modernized? And very, very importantly, what are the implications of this structure for air and sealift?

The discussions have been interesting in my judgment. Our views have been heard and been acted on, and I can certainly support the budget as it is being rendered this year. It makes military sense, it has the flexibility for change if change is in order.

I would just ask the committee's assistance in one area. We are definitely going to have a smaller army, we are going to have cuts across the board. We may have a smaller Forces Command. We do not know that at this juncture, but a smaller force clearly must be a quality force, and we do not want to pay the price of the so-called "hollow army" that we paid for deeply in the seventies.

There are many ways that you arrive at the "hollow army" syndrome. Clearly economizing with operational and maintenance funds is not an issue that we wish to visit again.

If you lose the money for your infrastructure and that infrastructure deteriorates, your commanders have no choice but to use soldiers to replace civilians that have been taken out because of reduced dollars. They are taken away from their primary missions. We have to dip into training dollars to keep the infrastructure going. And, over time, insidiously, you have a hollow army that develops.

So I ask for your assistance as we downsize our army, that we clearly keep it a quality army. It is very, very important to us.

The other major request I make is, as we downsize this army, that we keep in mind the human dynamics involved as we release some magnificent soldiers of all grades. Let us ensure that we treat them properly as they leave an all-volunteer career and go into the civilian sector.

Sir, those are the issues that we have discussed. And again, I support the President's budget. I feel it is sound and I can support it.

It is a great honor for me to be here today. I thank the committee again for hearing my views on Forces Command's contributions to the national security.

[The prepared statement of General Burba follows:]

PREPARED STATEMENT BY GEN. EDWIN H. BURBA, JR., COMMANDER IN CHIEF, FORCES COMMAND

INTRODUCTION

Mr. Chairman and distinguished members of the Committee on Armed Services, thank you for the opportunity to appear before you today to discuss Forces Command's important role in ensuring the national defense.

Our national military strategy of deterrence through flexible response, escalation control, strong forward presence, adequate reinforcing capability and robust contingency forces to deal with unforeseen threats has served America well for over 40 years. The dynamic, positive movements toward peace, freedom and democratic processes around the globe are, in part, a product of this strategy and the resolve and military strength of our great Nation.

The prior testimony provided you by the other Commanders in Chief has very adequately put in perspective the political/military situation around the world. My statement will concentrate on the missions Forces Command performs in support of national military strategy, specifically, the rapid mobilization and deployment of strategic land forces to reinforce forward deployed forces and establish a U.S. presence and fight, if required, where no U.S. forces are currently stationed. I will also comment on our other missions which embrace the strategic land defense of the continental United States; and military support to civil authorities, including support to the Nation's fight against illegal drugs.

FORCES COMMAND

Many of you are familiar with Forces Command but for those who may not be, permit me to describe briefly our command.

Forces Command, or FORSCOM, is the largest command in the Department of Defense. It is unique in that it is a specified combatant command, a major Army command and the Army component to the U.S. Atlantic Command. Assigned forces include five continental army headquarters, a deployable field army headquarters, and three deployable corps headquarters. Available to these headquarters are a total of 21 combat divisions, 17 separate brigades, 3 armored cavalry regiments, and a variety of supporting combat support and combat service support units. These forces consist of active, Army National Guard and U.S. Army Reserve units. Although Forces Command doesn't command the National Guard until federalized, we do align National Guard units with other supported CINCs and oversee and evaluate their readiness for war. There are some 1,000,255 Active, National Guard and Reserve soldiers and 39,592 Department of Army civilians assigned to or under FORSCOM's oversight at 18 major installations and 18 sub-posts in the continental United States, Puerto Rico and the Virgin Islands. The current FORSCOM fiscal year 1990 funding level is approximately 4.9 billion dollars.

I'm pleased to report that the command remains ready, its strategic capabilities across the operational continuum having been demonstrated vividly during the past year. FORSCOM deployed over 7,600 soldiers to provide humanitarian aid and protect our citizens devastated by Hurricane Hugo in North and South Carolina and St. Croix, Virgin Islands, and to conduct relief and security operations in the aftermath of the California earthquake. FORSCOM soldiers were on the scene supporting the oil spill clean-up operations in Valdez, Alaska, and fighting the forest fires in Oregon and Idaho. We have further developed our drug interdiction operations with priority to the U.S. southwest border. Of particular note, our operations plan outlining how we'll counter the flow of narcotics across this border has recently been approved. This plan established Joint Task Force Six, located at Fort Bliss, Texas, which is already providing counternarcotics support to Law Enforcement Agencies. Contingency planning has been initiated for these types of operations in other parts of the United States. With this structure and planning in place, we're moving out smartly on Law Enforcement Agency support that should precipitate positive results in the fight against illegal drugs in the near future.

During this same period, FORSCOM conducted realistic overseas training in support of nation building objectives by deploying over 12,600 soldiers to Panama and Honduras. The exemplary performance of our units and soldiers in each of these important operations serves as a source of immense pride and a reminder of the value and importance of strategic land forces. Further, the necessity to maintain a quality force in terms of personnel, equipment, training and a proper heavy-light balance are clear lessons from these missions. In many ways these missions are a harbinger of the future. Certainly, they illustrate the tremendous utility of strategic land forces from domestic civic action support through assistance to law enforcement agencies, from reinforcing our forward deployed units to the extremely rapid deployment of robust, forced entry land forces within the context of strategic and tactical surprise. It is also clear that they can further support the recovery and reconstitution of the United States' and its allies' military and civil structures after a full range of hostilities to include a strategic nuclear exchange.

There is no better example of the fundamental importance of readiness in terms of doctrine, technology, expertise, training, and personnel/equipment quality than Operation JUST CAUSE. As many of you have visited Panama and understand the details of the operation I won't dwell on it, but I would like to highlight what, I believe, are some pertinent points. Within hours of notification, our forces began deployment direct to the objective area and with relative surprise overwhelmed an unwilling and uncompromising opponent. This contingency suggests many requirements relating to future force structure, modernization, training and, very importantly, the quality of our personnel. We will heed these lessons in preparing for future contingencies of this nature while recognizing we are making the transition into a new era of political and technological change which will also set forth requirements for differing force and equipment structures and training.

While JUST CAUSE and Operation URGENT FURY (Grenada 1983) manifest many of the characteristics of what we expect to see in future short-fuzed contingencies, we should not be lulled into believing that Panama and Grenada reflect all such scenarios. These operations represent the lower order points along a spectrum which runs from daily political/military competition to global war. We must be able to repeat our success in Panama against other equally likely but more dangerous opponents from low to high intensity war in a host of areas around the world. The proliferation of highly lethal, advanced technology weapons systems, coupled with the size and capabilities of many regional powers' military forces, to include surrogates, presents impelling arguments for maintaining the modernization, training readiness and personnel quality of our contingency forces.

As a final point relating to JUST CAUSE, we would assert that the unbridled success of the forces from each of our services clearly demonstrates that joint operations are a necessity for the future. JUST CAUSE was one of the most complex operations our Armed Forces have undertaken since World War II and we did it right—with all the services and several combatant and supporting commands (USSOUTHCOM, FORSCOM, LANTCOM, TRANSCOM, TAC, USSOC) working together in a compressed time frame, to achieve one common objective. We were able to achieve this level of success because we trained as we'll fight—jointly, and because we have sound doctrine, state-of-the-art equipment and the highest quality soldiers, sailors, airmen, and marines in our Nation's history. This one operation clearly demonstrated that we've gotten what we paid for in the eighties—the finest military force in the world today.

EUROPEAN CHANGE AND WESTERN SECURITY

The nineties will be critical to the Nation's future security. Ongoing events will markedly affect the defense needs and strategy of the Nation. To a great extent the geopolitical prospects we face are ones we have sought, including changes favoring democratic tenets and reduced Soviet forces in Eastern Europe, significant arms control agreements, increased democratization in Latin America and the Pacific, a greater recognition of human rights, and an increasingly multi-polar world. Other changes, including the rapid proliferation of high technology weapons, terrorism, arms and force buildups in Third World states, narcotics trafficking and religious extremism, are less welcome. We face new and changing threats, technologies, weapons systems, and revised concepts of operation. All of these make for an increasingly complex, volatile and unpredictable world.

While change is certain, I am concerned that much of what we see now seems to have no clear direction. The rapidity of changes and the creation of undesirable side effects cause me to believe that many of the momentous changes occurring, while desirable over the long term and not easily reversed, are unmanaged and have no azimuth leading to a defined end state. Regardless of political/military conditions and threats around the world there are very practical reasons for downsizing with prudence and at a deliberate pace. Instability is inherent in change. We can see this in Eastern Europe today. Rapid strategic changes on our part, while seemingly attractive on the surface, can easily create more instability and cause uncertainty in our allies', friends', and potential adversaries' minds. We must reduce our military structure with extreme care to preserve the superb quality of the force built at great expense during the eighties. Obviously, we must make adjustments to the real changes in threats to our national security. However, we should be very circumspect and cautious to changes that do not accommodate strategic flexibility and freedom of action.

As you are undoubtedly aware, the administration, to include the Department of Defense, is continuing to conduct a series of far-reaching reviews which are examining virtually every part of the way we perform our business of defending the Nation. As a CINC, I am playing an integral role in these serious examinations and believe that the hard issues are being debated candidly and incisively.In the near term, the fiscal year 1991 budget submission begins deliberate, substantive reductions to our defense posture based on a realistic assessment of America's security needs. This submission involves a substantial reduction of our programs submitted just 1 year ago and is an efficient, sensible, and secure first step in crafting the defense structure we require given contemporary circumstances. Its goodness lies in its accommodation of domestic economic realities while addressing low-risk national security requirements. It also buys us time for very rewarding Conventional Forces in Europe driven reductions and, very importantly, allows effective and efficient changes of azimuth if international events dictate such change.

The fundamental requirement for balance and quality in a reduced size but highly capable force is preserved in the DOD submission. It is not difficult at all to recall the "hollow" experience of the 1970's. Retention of quality is essential if we are to sustain an adequate defense at reduced costs. None of us advocate second class Armed Forces—we must be the best, albeit smaller force.

It is important to elaborate on these reductions and the balance and quality of the residual forces against the backdrop of our more important missions. These missions are the reinforcement of our forward deployed forces and, if required, projection of strategic, forced entry capable land forces to those areas of national interest where we have no forward presence. With the restructuring of our overseas theater forces, the reliance on strong CONUS based conventional forces as a strategic deterrent increases. FORSCOM's ability to provide a timely reserve of combat ready strategic land forces to overseas CINCs is, and will remain, one of the cornerstones of the Nation's successful defense strategy. Maintaining this capability is my highest priority. The combination of domestic economic pressures and the unprecedented changing international environment brings preeminence to FORSCOM's missions and, at the same time, makes accomplishing those missions more challenging.

Given these missions, the requirement to maintain a strong negotiating position in the ongoing Conventional Forces in Europe talks, the continuing positive developments in the Soviet Union and Eastern Europe, and an associated increase in warning time, the Army's proposed reductions for FORSCOM make sense. This is a rational first step toward accommodating the budgetary and strategic realities of the future. These proposals are grounded firmly in tactical and strategic considerations and represent a viable solution to providing optimum military capabilities to accomplish our missions while recognizing economic realities. Considerations used in developing these proposals included not only our strategic missions and economic factors but also the quality of training areas, quality of life facilities for soldiers and their families, recruiting successes and access to strategic transportation bases. The reduction in the number of bases, politically unpopular as it may be, is necessary from a fiscal management perspective. We cannot afford to operate bases that are not required with a significantly downsized force.

As strongly as we support these reductions, we just as strongly appeal that no further cuts be made at this time. Structure and capabilities are stretched thin today and we continuously must seek innovative ways to maximize the potential of the forces we have. Our structure must maintain the strength necessary to balance Soviet capabilities while encouraging continued, even accelerated, adjustments. I agree with those who are concerned that, even if announced adjustments are realized, the Soviet Union and its allies will continue to have a sizable force advantage. One of the central issues confronting the United States and its allies in the defense equation is that of timing. Prudence suggests major force structure changes be carefully understood and deliberately timed, as untimely unilateral or unrealistically deep force cuts could exacerbate an already serious force correlation problem. Continued budget reductions will virtually guarantee such premature structure cuts. I urge your commitment to maintain the strong, flexible, quality military forces necessary until there is more tangible evidence of reduced threats against our national interests worldwide.

The balance of our strategic residual forces is also of critical importance. In the past the primary focus of our forces has been on European reinforcement. As cited earlier, the world is changing rapidly in a number of profound ways. The role of strategic land forces in the Nation's defense is evolving to meet these changes, required every step of the way. As we prepare our forces for the future, there are significant issues which we must address head-on.

As the international security environment continues to evolve, so must the structure and composition of our land forces. An imperative is to maintain a balanced mix of heavy, light, and special operations forces in the Active and Reserve components, both Army National Guard and Army Reserve. The necessity for the heavy-light-SOF mix was vividly illustrated in Panama. Light forces are essential for the extremely rapid response requirements in many of today's threat environments and their requirements are measured in hours instead of days and weeks. Likewise, our forced entry capable light forces offer the capability of establishing an American presence where none exists. The continued necessity for such a capability is yet another lesson from JUST CAUSE. On the other hand, FORSCOM's heavy forces provide unequaled tactical mobility and firepower so vital to finish the fight against emerging high tech capable forces in the third world as well as reinforce our Army forces forward deployed in Europe. Despite events in Europe today, it is too early to wish away the requirement for this reinforcement.

An important aspect of a balanced Army force is strategic mobility. General Johnson and I are in complete agreement on this critical issue. Strategic airlift and sealift are crucial to FORSCOM's mission to project strategic land forces worldwide. As forward deployed force levels are reduced to reflect the changing geostrategic environment, the heart of our conventional deterrence rests with CONUS based forces. For this force to serve as a credible deterrent, a robust strategic mobility capability is essential. Without the ability to project rapidly and precisely our conventional power directly into the battle areas, the deterrent value of this force is nil.

A healthy, capable strategic airlift force is instrumental in this regard. Such a capability must allow us to project strategic land forces direct from CONUS into areas of vital national interest rapidly, in the configuration required, and without the added time associated with transfers and multiple enroute staging/transfer bases. Such a capability will allow a reduction in the logistics infrastructure for sustainability and must be capable of meeting our strategic and tactical needs. Airlift for relatively small-scale light force operations such as JUST CAUSE is adequate today, but the C-130 and C-141 fleets are aging rapidly and need to be upgraded, replaced or a combination of both. The C-17 program is strongly supported by the Army and FORSCOM because of that proposed aircraft's large volume, oversized equipment, long distance, and unimproved airfield characteristics.

We demonstrated a significant capability to rapidly deliver light forces by air in Panama. JUST CAUSE was successful because of many reasons—a principal factor was the overwhelming combat force brought to bear quickly to crush pro-Noriega resistance and take critical objectives in depth throughout the country in one bold strike. If a like operation was required against a modernized, sophisticated armed force in an area of vital national interest such as the Mid-East, we would have great difficulty today in projecting sufficient force to do the job swiftly and decisively. The size of the force required in this region requires rapid strategic sealift that can deliver large tonnages of heavy combat forces and sustaining supplies.

The joint forces needed for such a contingency would be required to rapidly seize airfields and seaports from which to conduct further sustained offensive operations. The most critical problem now in such an operation is that, even assuming immediate availability of today's fast sealift ships, the heavy forces required would not arrive for close to 3 weeks. This includes loading, steaming, and unloading time. Without the ability to rapidly deploy heavy, firepower-intensive forces by sea, we would be required to move limited heavy forces by air. These same airlift assets are already committed to moving critical light forces needed to seize the airfields, seaports and other initial objectives. Superior U.S. Armed Forces, in a Middle East environment, means closing heavy forces simultaneously or rapidly behind our light forces. An adequate sealift capability is a must if we are to project the forces with equipment to the fight when and where required. This critical requirement may spell the difference between projecting sufficient combat power in the time required to deter a war and still protect our interests, and having to fight a lengthy campaign to secure our interests and objectives.

General Johnson's statement lays out our needs and addresses the details of our strategic mobility requirements very well. I wholeheartedly endorse his remarks on this pressing issue.

A balanced strategic residual force is also one with the proper active component-reserve component mix. There are those that would economize by placing more of the Active Army in the Reserve components or reducing the Reserve structure or combination of both. I would advise restraint until a study of Army National Guard and Army Reserve capabilities and limitations can be made and the situation in Europe clarifies itself. Although the Active, Reserve and civilian leadership has agonized over RC readiness for years, several positive trends have held true. First, there has been remarkable improvement in Reserve component readiness in the past 8 years. Further, the Reserve component constituent of our national defense strategy has worked because its capabilities, albeit not as strong as Active units, have introduced sufficient uncertainty in our adversaries' minds to allow deterrence to succeed. Given longer warning times and less likelihood of conflicts in Europe, it is conceivable that additional Army National Guard combat structure could replace that of Active forces focused on European reinforcement. However, in other parts of an increasingly multi-polar world, warning times are reduced, conflict likelihood is higher, and military requirements call for short-notice deployable Active component forces with exceptionally high readiness standards.

The ambiguities of the Active-Reserve force structure mix are further compounded by increasing requirements for low intensity employment of combat service and service support units, such as military police, medical service, engineer, psychological operations, and civil affairs personnel. These are the types of missions that Army Reserve units, in some cases, can execute as well as active units. Some of these missions can be executed within the Reserve component 2-week annual training period and some cannot. As you can see, there are many permutations and combinations of requirements, capabilities, and training that have to be sorted out before any cogent decisions relative to change in Reserve component structure can be made. The total force study now being conducted by the Office of the Secretary of Defense should go a long way toward addressing these issues, and after scrutiny and debate should provide an azimuth for possible expansion, reduction, or zero sum restructuring of the Army National Guard and U.S. Army Reserve.

Just as balance is required in our residual forces, so is quality. The individual soldier, Active and Reserve component, is the foundation of a ready force. We cannot compromise soldier and, in turn, overall force quality. I believe force quality is equally important in contingency operations such as JUST CAUSE as it is in a war against a numerically superior force such as the Soviet Union. The negative impact on the Nation caused by a contingency operation tarnished with miscues, disciplinary problems, and high casualties which would be associated with a less than quality force go far beyond the initial impact on national interests—especially when broadcast instantaneously worldwide by the media. It could tarnish the Nation's military reputation and debilitate political influence for years to come. A quality force and its capability for surgical operations are also vital to the proclivities of the American people for short wars, and to the surge of vital interests throughout many regions of an increasingly competitive, unpredictable, economically inter-dependent and multi-polar world.

To keep a smaller but quality force, we know we must do our part and reduce our infrastructure costs. We have made the painful decision to close additional bases and are aggressively pursuing innovative initiatives to reduce training and base operations costs without degrading readiness or installation care for our soldiers and their families. We need your help, however, in authorizing departmental level expenditures in the personnel, R&D, and major construction accounts as well as installation-level expenditures in training, and base operations so that we can continue to attract and retain quality soldiers and sustain the high readiness standards commensurate with our missions. Soldiers join the Army for a variety of reasons, but principal among them is to do something—a soldier's task: tanker, infantryman, the soldier and, clerk, truck driver. To the extent that the soldier and, in turn, his unit, is able to train in peacetime by performing MOS and collective unit tasks, we increase force quality and training readiness. Core training funds for individual training, operating tempo and collective training at battalion and below must be preserved. At all costs we must retain the extremely realistic combat training provided by the National Training Center, principally for heavy forces at Fort Irwin, CA; the Joint Readiness Training Center, principally for light forces at Fort Chaffee, AR; and the Battle Command Training Program for commanders and their staffs. Tough, realistic training is clearly the sine qua non of a smaller but high quality force. It will remain the key to a credible deterrence and capable defense as we downsize our forces for the future. As vital as quality training is to our national defense, it can still be insidiously compromised by inadequate funding in other elements of the P2 account. For that reason, I must also make a special appeal not to economize in repair and maintenance and BASOPS accounts. There has been a tendency to do that in the past and it leads to degradation in morale, retention, and ultimately in our training readiness. At this time we are basically making emergency repairs only at our installations and will probably have to significantly curtail some soldier and family services before the fiscal year is out. If this situation extends into the next few years, we will be well on the way to creating an important aspect of the "hollowness" that beleaguered us in the late seventies. As then, we would be mortgaging the future. Once that future arrives, commanders would have no choice but to dip into training funds, replace many from the civilian workforce with borrowed military manpower, and curtail quality of life services to free up resources for emergency installation repairs, thereby compounding further hollowness. This debilitating process will cut the life out of a quality army as quickly as poorly resourced personnel, training or R&D accounts.

CONCLUSIONS

Mr. Chairman, I thank you once more for the opportunity to provide the committee my view on Forces Command's important contributions to the national military strategy. The United States has achieved great success with a military expenditure of slightly more than 5 percent of the gross national product. U.S. military forces are more combat ready than they have been in many years and are respected by both friends and adversaries and admired by the American people for their integrity, dedication, and professionalism. They provide our Nation with a flexible, proven ability to meet the requirements of a volatile, unstable and changing world.

Chairman NUNN. Thank you, General Burba. General Johnson.

STATEMENT OF GEN. HANSFORD T. JOHNSON, USAF, COMMANDER IN CHIEF, UNITED STATES TRANSPORTATION COMMAND

General JOHNSON. Sir, it is a great pleasure to join General Burba in addressing this distinguished committee this morning.

I believe, as you and Senator Warner have pointed out, that transportation will be a key in our national security as we restructure our forces.

As General Burba has stated, none of us want a hollow force. I believe that if we have a strong force in our country and do not have the capability to move it to the right place at the right time, we will indeed have a hollow force.

There are many challenges that the U.S. Transportation Command faces in the 1990s. We will focus on a global mission, worldwide, working contingencies wherever they may occur.

We are dependent on Active duty, Reserve forces, and the commercial sector to do our transportation job.

Today I would like to highlight four areas. First, people; second, the maritime industry; third, airlift; and finally, command and control of all of these resources.

The most important asset that we have in our nation and certainly in our armed forces is our people. We have had an all-volunteer force since 1973. When we established the all-volunteer force, we made a commitment to our people that they would be professional, they would not be conscripts, that we would provide them a comparable wage, and that we would provide them a comparable quality of life and job security, as the rest of our Nation.

I believe we need to keep this commitment to our people.

The maritime industry is of great concern to us in the U.S. Transportation Command. We are a maritime Nation, but our maritime industry has greatly decreased over the years.

As all of you know, when we go to war, a large war, we will take 95 percent of our dry cargo, and 99 percent of our petroleum through sealift. We must revive this national industry.

Last year, the President signed the National Security Sealift Policy. That is a step in the right direction. However, there are many laws and directives that have been on the books for many years that we need to relook to make the maritime industry more competitive.

We need a balanced approach to transportation and the second half of across the ocean transportation is airlift. Our airlift must be fast, flexible, and agile.

Our fleet is growing old. Our C-141s were built with 1950s and 1960s technology. They were not originally designed for low-level flying that we have to do today, nor air refueling.

At the current time, we have some structural difficulties with the C-141, and we have had to restrict some of our valuable training. We can do that for a short time, as long as we have trained forces. But after a couple of years, we will have to go back to flying more of the low-level type activity. By then, we hope we can have made some temporary repairs on these aircraft.

Our Nation needs a follow-on to the airlift fleet. And the C-17 fills that bill. It will replace the C-141. It will have the outsize cargo carrying capability of the C-5, and the agility of the C-130.

If we are going to continue to be a superpower and provide airlift to a variety of activities around the world, we need the C-17.

The last part is the command and control to pull together all of our transportation assets. We have developed a global transportation network that not only pulls together the military data banks, but also commercial data banks.

As we are talking here today, in the exercise Team Spirit, we are pulling together the American President's Line, Sealand, the airlines, and the military, into an in-transit visibility so the commander knows where the various cargo is, and when it is going to arrive.

You asked me and other CINCs to talk about the Goldwater-Nichols Act. I make my comments from three roles, one is the Deputy Commander of the Central Command during the middle of the Persian Gulf activities. The second, as director of the Joint Staff until last fall and now as a Commander of the U.S. Transportation Command.

The greatest part about the Goldwater-Nichols Act is its focus on jointness. There are many other details associated with it, but focusing all of us to one purpose, a joint role, as General Burba discussed, is the most important part of the Goldwater-Nichols Act.

Of course, I have a larger voice in budgetary matters, and I certainly have the authority to do my job. In fact, I have the responsibility and the authority and the accountability necessary to do my job.

In closing, the protection of our vital interests is very important to our country, not only from a military standpoint, but from an economic and political well-being standpoint. We must maintain a strong, responsive, flexible defense transportation system.

It is a great honor to be here today and to answer your questions.

Thank you, sir.

[The prepared statement of General Johnson follows:]

STATEMENT OF GEN. HANSFORD T. JOHNSON, COMMANDER IN CHIEF, UNITED STATES TRANSPORTATION COMMAND

INTRODUCTION

Mr. Chairman and distinguished members of the committee, I appreciate this opportunity to appear before you to discuss an issue of increasing military importance in our rapidly changing world: Mobility.

The United States enters the decade of the 1990s facing revolutionary changes in international geopolitics. The remarkable events sweeping Central Europe are a clear victory for Western postwar policy and offer unprecedented opportunities for Soviet bloc nations to enter an era of self-determination. As with all change however, these events portend a period of uncertainty and significant instability. Events in Central Europe notwithstanding, nations today are still at odds over ideology, values, and economic interests. The United States will best be prepared to prevent military adventurism in Europe and around the world only if we maintain a credible deterrent posture, made possible through a strong alliance system and global military capabilities. Strategic mobility lies at the heart of a credible deterrent force, for without adequate ability to project our forces, there is no conventional deterrent. This basic tenet was ably demonstrated during the recent operation in Panama, JUST CAUSE. Important to the success of that operation was this country's ability to rapidly deploy diverse forces to the right place at the right time. The orchestration of that effort relied heavily on an integrated, joint approach to planning and execution, and strategic lift translated success on paper to success on the battlefield. The story might have been quite different if this operation had not been supported by highly trained and well led Active and Reserve component forces who were ready, at a moment's notice, with modern well maintained organic equipment, to defend our national interests. We have learned the lessons of the past well. The investment this Nation has made over the past 10 years in developing a flexible, responsive military force is paying off. We must never go back to the hollow defense of the late seventies.

MISSION

It is my responsibility as Commander in Chief of the United States Transportation Command to provide all theater CINCs with the global air, land, and sea transportation they need to maintain a strong deterrent posture and protect U.S. interests worldwide. The United States Transportation Command is responsible for the operation of the three primary transportation modes, the transportation aspects of worldwide mobility planning and refinement, administration of the joint deployment system and the integration of the information systems which serve the mobility community.

ORGANIZATION

To accomplish our mission, USTRANSCOM is comprised of a small headquarters staff and three component commands: Military Airlift Command (MAC), Military Sealift Command (MSC) and Military Traffic Command. The Military Airlift Command, the largest of the components, is responsible for all global airlift operations. MAC has nearly 90,000 Active duty military and civilian personnel. When fully mobilized, MAC would gain another 27,000 Air National and 48,000 Air Force Reserve personnel.

The Military Sealift Command provides common-user shipping DOD and has 7,000 Active duty military and civilian personnel, as well as over 2,200 Merchant Mariners under contract for a total of over 9,200 personnel in peacetime. When fully mobilized, MSC would gain an additional 1,700 men and women from Reserve units.

The Military Traffic Management Command manages all common-user ports, intermodal movements and CONUS land transportation. MTMC has 4,000 military and civilian personnel in peacetime and when fully mobilized, would gain an additional 1,921 Reserve personnel. In total, the USTRANSCOM organization consists of over 103,000 men and women during peacetime, with mobilization adding approximately 78,000 from the Reserves and National Guard.

USTRANSCOM also relies heavily on the civilian transportation industry. The Civil Reserve Air Fleet now provides more than 50 percent of the cargo and passenger aircraft available during a national emergency. U.S.-flagged merchant ships provide the majority of our total sealift capability with the remainder civilian and government owned, would be operated by U.S. civilian merchant mariners. These programs and DOD's virtual 100 percent reliance on commercial rail and motor transportation combine to provide over 85 percent of this Nation's total lift capability. Because they are such an important part of our total force, USTRANSCOM remains vitally interested in the health of the civil transportation industry.

THE THREAT

The efforts of all the men and women of USTRANSCOM are directed toward supporting our national objectives. While the remarkable events in Central Europe have focused this Nation's attention on Europe and the Soviet Union, we must not forget our worldwide responsibilities. We live in an uncertain, changing world. We must not overreact to an unknown future by dismantling the defense strategy which is in large part responsible for the positive events unfolding today. Although the likelihood of direct military confrontation with the U.S.S.R. appears greatly reduced, Soviet combat capability remains formidable—and the Soviet Union is only one part of the worldwide threat. As the Cold War draws to a close, the world is moving toward a potentially less stable geopolitical environment. According to a Commission on Integrated Long-Term Strategy report published in January 1988, those countries in Asia, the Middle East, Africa, Latin America, and the Eastern Caribbean which make up the Third World have been involved in more than 30 limited conventional and 60 unconventional conflicts over the past 40 years. In addition to the estimated 16 million lives lost in such hostilities, we can add the undetermined toll forms of political violence. It is improbable that the United States, in pursuit of its national objectives, will escape involvement in future strife. We must, therefore, maintain the capability to strike swiftly, at the time and place of our choosing, with overwhelmimg force, in order to minimize our losses and ensure success. These emerging threats will likely be smaller in scope than those represented by the Soviet Union, but will pose tremendous challenges to our ability to respond. Such threats may develop quickly with little warning, compressing available action time. They will likely develop in areas where we have little infrastructure, at great distances from the continental United States. All these factors will impact on USTRANSCOM and our ability to provide timely force projection. Withdrawal from overseas theaters in response to the changing threat in Europe will require an increasingly flexible, balanced, and responsive mobility structure to meet new challenges.

THE STRATEGY

To counter these threats, our national military strategy has at its roots three fundamental components: the maintenance of a credible deterrent through forward presence; the ability to ensure our access to strategic materials and world markets; and the need to meet allied commitments. This strategy has served us well for nearly half a century. I agree with those who urge prudence in modifying a system that has been so successful.

OUR OBJECTIVE

USTRANSCOM's objective in the furtherance of this strategy, put succinctly, is to support the strategic lift requirements of the theater CINCs. Those requirements are articulated through the process of building and refining operations plans. The success of those plans, the ability to fight and win, is in part dependent on our ability to project U.S. forces to any theater of conflict. A shortfall in strategic mobility assets equates to a reduced combat capability and deterrent posture. We must maintain the ability, through adequate resources and training, to meet our national security requirements.

OUR CAPABILITIES

Ultimately, it is not equipment which will preserve our freedom—it is the individual will, spirit and innovation of our people. In his former role as commander of the largest command in the DOD, Forces Command, the Chairman of the Joint Chiefs of Staff, Gen. Colin Powell, stated, "It is my view that programs necessary to maintain and support quality soldiers have to remain, above all, our top priority." I heartily support that position.

In this age of high technology and ever increasing weapon system sophistication, the American service member remains the cornerstone of a viable military force. Modern technological advances have resulted in lower manpower requirements but, at the same time, have led to the need for a higher quality individual to operate and maintain new systems. This quality of individual can be found throughout the U. S. Transportation Command; they are the foundation of our war-fighting and readiness capability.

Today the theater CINC's requirements for manpower, materiel and the strategic lift to move them are being reevaluated. Fiscal realities have forced us to apportion available assets to ensure we maintain a balanced lift capability, and will continue to do so. With the formation of USTRANSCOM, there is now a unified command with direct responsibility for ensuring the theater CINC's plans are executable from a transportation perspective. From the very beginning, as a theater CINC develops a concept, USTRANSCOM is there to advise on its transportation feasibility. As the concept evolves into an actual plan, USTRANSCOM provides advice as forces are assigned and strategic lift requirements are quantified. Thereafter, if the determination is made to execute a plan, USTRANSCOM will provide traffic management expertise to ensure forces and equipment are moved in a timely manner, consistent with available resources, from their home station through selected ports of embarkation and delivered to the supported CINC.

To carry out their missions, our components rely on the readiness of three distinct elements: Active duty personnel, Reserve forces and the civil sector. All three, in balance, are essential to the performance of the transportation mission. The readiness of these elements is directly linked to the daily activity level within the transportation system. The tempo of MAC's flying operations; MSC's steaming operations; and MTMC's air, truck, and terminal operations are directly dependent on service transportation funding, since it is those funds which pay for our operations. Every peacetime DOD dollar spent on transportation hones our ability to project the force. When service transportation budgets are reduced, the result is a real loss of military transportation system readiness.

OPERATIONAL CHALLENGES

Sealift

In any major overseas deployment, sealift will deliver approximately 95 percent of all dry cargo and 99 percent of all petroleum products. The sheer magnitude of the capability represented by modern oceangoing vessels makes strategic sealift a critical link in strategic mobility. Today the United States has fewer than 400 dry cargo ships in its national pool. Our unilateral capability continues to decline despite significant accomplishments in government and maritime industry cooperation, and the signing of the National Security Sealift Policy. The continued erosion of our sealift capability is a national problem which poses a significant threat to the security of this country. Without an adequate sealift capability, unilateral military actions may not be feasible, while alliance actions and a credible deterrent posture would be weakened. Although mobility studies and expert opinion vary on the actual sealift requirement, and on our capability to fulfill that requirement, the consensus invariably points to one conclusion—our maritime fleet and its supporting industrial base are steadily declining.

Over the last year, a great deal has been accomplished in an effort to reverse the decline of the U.S. maritime industry. The National Security Sealift Policy has been signed by the President. This policy is providing the focus for a coalition of leadership in the Department of Defense and civilian industry who are addressing this decline. Industry and labor have never been more willing to work together to achieve a common goal.

The National Security Sealift Policy enacted last October establishes the foundation upon which we must build a comprehensive program for revitalizing the maritime industry. The Department of Transportation and the Department of Defense are currently working on just such a program. The National Security Sealift Policy establishes our government's goal to ensure adequate sealift resources are available to meet national economic and security requirements. I fully support this theme.

Even though our defense policy relies on contributions of both U.S.-owned and allied shipping resources to meet strategic commitments, we must be prepared to respond quickly and unilaterally to security threats in geographic areas not covered by alliances, and to threats which fall below the requirement for full mobilization. Examples include operation GOLDEN PHEASANT, 1988s movement of forces to Honduras, and operation NIMROD DANCER, the movement of forces in and out of Panama in the wake of election violence.

The eight fast sealift ships operated by MSC, which are commercial container ships modified in a roll on/roll off configuration, and the Ready Reserve Force (RRF) provide the immediate assets available to meet unilateral and surge shipping requirements. The RRF is currently composed of 95 militarily useful and specialized vessels maintained in a 5-, 10-, and 20-day activation status. The fleet is programmed to grow to 105 ships in fiscal year 1991. The growth and modernization of this fleet was jeopardized when Congress cut 63 percent from the fiscal year 1990 RRF budget request. Budget authority for this important force in reserve has recently been reclassified as a defense related item. I urge your full support for this program.

The National Defense Reserve Fleet is a source of sustainment shipping and attrition fillers. However, over half of this fleet is comprised of World War II vintage vessels, primarily Victory class ships, whose condition continues to erode while in storage. At the same time, we also note a steady decline in the size of the Effective U.S. Controlled Fleet. Current trends indicate that more and more ship owners are selling out to their foreign partners, further reducing our available sealift assets. All of these conditions result in our becoming more and more reliant on NATO allies to meet rapid reinforcement plans for Europe, and a decrease in our ability to meet unilateral sealift requirements.

Solutions to the decline of our merchant marine are elusive and complex. They begin with our acknowledgment, embodied in the National Security Sealift Policy, that sealift is essential to our national security and economic freedom. I urge your continued support of this important capability.

Airlift

Strategic airlift is the single element of mobility which provides this nation with the ability to project force in the critically important early days of a conflict. When rapid reinforcement and timely arrival of supplies are absolutely necessary, there is no substitute for airlift. MAC's current airlift capability combines active duty forces; Air Force Reserve; Air National Guard; and Civil Reserve Air Fleet personnel, aircraft and equipment into a national airlift force. Our nation calls upon this force in varying degrees to meet peacetime, contingency, or wartime requirements.

The workhorse of our organic strategic airlift capability is the C-141 fleet which last year flew nearly 271,000 hours supporting such diverse missions as combat airdrops in operation JUST CAUSE and humanitarian airlift of supplies to the Caribbean after hurricane Hugo and to earthquake victims in Soviet Armenia. On any given day 70 to 75 percent of the fleet is committed to airborne operations. Originally entering the inventory in 1963, these airlifters are rapidly reaching the end of their service life. Hastening the aging process of these aircraft was the need for an aerial refueling capability and an increased use in the low altitude airdrop role. Both of these missions have resulted in more rapid fatiguing of the C-141 airframe. In an effort to limit the impact of this trend, MAC has been forced to eliminate some training requirements in an effort to prolong the C-141 structural life, thus maintaining a viable strategic airlift force. However, these measures are temporary at best and will ultimately reduce our combat effectiveness through a shortage of specially trained crews. The wing cracks must be fixed! Currently there are several options being studied which will not only fix the cracks but upgrade the C-141 as well, extending the life of the aircraft. Though some may find service life extension an attractive option, in my opinion it is not cost effective and does not address the real need for fleet modernization. These measures represent, at best, a short-term effort which will not adequately bridge the gap between our current capability and the fielding of the next generation airlifter. The airlifter of the future will need to be more flexible, able to operate in the austere environment of short, semi-improved fields, delivering cargo directly to the battle in an increasingly complex threat environment. The C-17 is that airlifter. The multi-role abilities of the C-17 will allow it to swing from its primary role of strategic airlift to the theater airlift role. This modern airlifter will be capable of moving large quantities of munitions, fuel and outsized cargo directly to forward areas. This additional capability will be realized with lower manpower requirement and dramatically reduced operation and support costs when compared to our current fleet. The C-17 will form the cornerstone of our future strategic airlift capability.

As the worldwide threat evolves and our forces are restructured to meet that threat, I firmly believe the need for more responsive, flexible lift will play an expanded role in U.S. military strategy. Congressional support for the C-17 has been strong in the past. I urge you to continue that support.

Prepositioning

Although not under USTRANSCOM's control, we also support the Navy's Afloat Prepositioning Fleet, the Marine Corps Maritime Prepositioning Ships, and the Army's Prepositioning of Materiel Configured to Unit Sets (POMCUS) program. All of these initiatives reduce our requirement for lift. Every ton of materiel prepositioned in theater is one less ton we have to move to that theater with our limited strategic lift capability. Prepositioning is not, however, a panacea to make up for limited mobility assets. We must ensure our prepositioning and airlift forces remain in balance. Both our land based and sea based prepositioning programs require airlift to transport the personnel and additional equipment needed for units to become operational. Our ability to rapidly deploy forces worldwide, or to rapidly return forces to Europe, is significantly enhanced by balanced airlift and prepositioning programs.

Mobility Management

Near term improvements in mobility will not likely come from bigger, faster vehicles but from improvements in our ability to manage the assets we have. USTRANSCOM is exploiting this reality by developing an integrated command and control network.

Command, Control, Communications and Computer (C4) Systems are vital to the success of this command. All the lift capability in the world will not solve our strategic mobility problems if we are unable to direct and control it. Proper command and control allows us to tie together diverse lift capabilities to better support the theater CINCs.

Rapid advances in communication and computer system technology have produced an explosion of information capability for the commercial transportation industry. Currently, the industry is focusing on flexible sharing of information for intermodal management and tracking of vehicles and cargo. USTRANSCOM is drawing upon this technology, integrating it within the military transportation system.

The command has developed its C4 System Master Plan which provides the direction for development and use of C4 systems. This plan has already identified a baseline of C4 systems that provide functional support to independent groups of users. To hold costs to a minimum, we are capitalizing on these existing systems to provide a "network of systems" known as the Global Transportation Network (GTN). This network will allow users to access needed transportation information from existing private sector and DOD data bases. We are now testing this concept in the Pacific and European theaters with a GTN prototype using commercial technologies. An operational prototype will be fielded by the end of fiscal year 1990.

Currently USTRANSCOM's ability to support peacetime contingency operations is hindered by a lack of automated tools to develop closure estimates and closure profiles for the theater CINCs. The Joint Operation Planning and Execution System (JOPES) will fill this critical gap, moving us out of the stubby pencil mode, dramatically improving our ability to plan and execute contingency operations. When final operational capability is achieved, the GTN will provide accurate and timely information to JOPES; which plays a critical role in the command and control of mobilization, deployment, employment and sustainment of forces. Your continued support of our C4 system programs will ensure these sorely needed capabilities will be fielded.

GOLDWATER-NICHOLS

The committee has requested I address the implementation of the Goldwater-Nichols Reorganization Act. Although USTRANSCOM was not formed as a result of this legislation, I have benefited as a supporting CINC. My involvement in the Defense Planning and Resources Board process gives me the needed forum to voice concerns and state requirements. As a result of this process, there are currently no deficiencies in my ability to provide support for the theater CINCs which are not being addressed by the services. The DOD reorganization has also resulted in an improvement in the quality of officer seeking a joint duty assignment to my headquarters. I believe Goldwater-Nichols is having a positive impact on how we do business.

CONCLUSION

Mr. Chairman, thank you once again for the opportunity to provide the committee my views on the United States Transportation Command's contribution to mobility and rapid reinforcement. I believe current future military strategies require additional, more flexible mobility assets to ensure their success. This nation stands to benefit greatly from the integrated approach to transportation represented by USTRANSCOM. In 2 short years, this Command has forged new, stronger bonds between the members of the joint deployment community. Through this robust new relationship, we have instituted programs and procedures which markedly increase the effectiveness and responsiveness of the Joint Deployment System. The recent PROUD EAGLE 90 worldwide mobilization exercise demonstrated unequivocally that the coalition, now anchored by USTRANSCOM, of the three transportation operating agencies, the CINCs, the services, the Joint Staff, commercial industry and Federal agencies has greatly improved this Nation's ability to mobilize for war.

As we look to the future, we see continued integration of the functions that comprise our military transportation' system. We are working to provide the theater CINCs and services with a single point of contact for all their transportation needs, peace to war. The synergistic effects of a fully integrated transportation system would be truly impressive. Such an organization could provide real origin to destination visibility over men and materiel moving within the system. minimizing the inherent turbulence when transitioning from peace to contingency to war. The increased economic leverage, lower overhead and simplified planning and execution of transportation requirements will help ensure this Nation full productivity from every defense dollar spent on transportation.

The goal of USTRANSCOM is to support this Nation's credible deterrent posture with a transportation system capable of projecting our forces anywhere, anytime. With the support of the administration and you, the Members of Congress, we will maintain the flexible, balanced and responsive mobility system so critical to achieving our national objectives.

Chairman NUNN. Thank you, General Johnson.

Let me start, General Burba, by asking you about the relationship between Reserve forces and Active forces. I know you said you had studied a lot of these issues, and I hope we can get into some details with you on some of your opinions today.

The President's budget proposes two Army divisions be cut. Secretary Cheney testified that an additional three divisions could well be removed from the force structure over the next few years.

What do you believe to be the proper way to go about deciding how much will go into Reserve and how much in Active, in terms of what we have left?

In other words, how should the cuts be approached between Guard and Reserve and Active forces?

General BURBA. Mr. Chairman, first, we must make an accurate assessment of the threat. And based on our strategy, back off from there.

Currently, we have forward deployed forces, which principally are a deterrent force. And a force, if required to war-fight, could delay our adversary as long as required, until we could reinforce from the Forces Command with our highly ready, highly deployable Active component forces.

Their mission would be to stabilize the situation until we could mobilize our Reserve component forces and move them to the theater and restore the situation.

So we must look at the threat, and what Active forces we have, their contribution to that threat, and what risk are we willing to take vis-a-vis how much of the Active force can you afford to put in the Reserve component force.

Once that strategic decision is made, you look at affordability issues, and you have to look also at demographic issues. We have increased the size of the Army Reserve component significantly in the past decade. In many cases, we have reached our demographic limits, both for the National Guard and Army Reserve units.

So we must take a hard look at that.

Some of the reductions that we are taking with this current budget are as much aimed at improving the readiness of those Reserve units as it is——

Chairman NUNN. You mean you have recruited all you can feasibly recruit in a particular area? And you have got units as large as you can handle, is that right?

General BURBA. In many cases, that is correct, sir.

Chairman NUNN. Based on recruiting?

General BURBA. That is the case, sir.

And in 33 States in the continental United States, we still have strength problems with our reserve units. So that has to be an issue.

I am not saying that we cannot take on more reserve structure. I am just saying that we must do it surgically and we must look very carefully at how and to what scope that we can accommodate further Reserve structure.

Chairman NUNN. There are a number of concerns, I think, in this committee about the relationship between Guard and Reserve forces and Active forces. You are cutting Active strength 42,000, and Reserve and Guard strength by 19,700, I believe, in fiscal year 1991—is that right?

General BURBA. Yes, sir, that's approximately correct.

Chairman NUNN. The base closure package suggests large reductions, additional large reductions in the Army Reserve and the Army Guard, and also some in the Active Army. I would think as you cut the Active Army you would have a lot more people available to go into the Reserve, because a lot of the Army people that would be cut from active divisions would probably want to go in the Reserve.

Are you including that in your equation?

General BURBA. Yes, sir, we are.

But you can never predict how those forces will be distributed throughout the Nation once they are released. But we are counting on certainly improving the readiness of our Reserve component units and, if necessary, to increase the Reserve components, which is certainly a very real possibility, by using those forces to do that.

Chairman NUNN. Are you prepared now to tell us what the next 5 years looks like in terms of Army Reserve versus Active?

General BURBA. No, sir, I am really not.

I think that with the situation in Europe, there certainly is a major change in the threat, but what is the end state going to be? How much instability is still going to be there?

And importantly, the requirements in other contingency areas, as I mentioned earlier. I am very concerned about Southwest Asia, for instance.

I think we need to let Europe stabilize, and get a better handle on Southwest Asia. The time is not on our side with regard to basically, our alliance-based strategy in that area. Our allies have had a very high quality but small army, and their adversaries a very large but lower quality army, but getting better all the time.

So that is why I say, time is not on our side in that important part of the world.

Once we get a good threat determination, and look at the affordability issues, then I think that we are in a position to make a correct call on the definitive mix of Active component and Reserve component forces.

Chairman NUNN. Thank you, General Burba.

Senator THURMOND. Mr. Chairman, I have got to go, but would you give me 1 minute before I go?

Chairman NUNN. I would be glad to, surely.

Senator THURMOND. Thank you very much.

Mr. Chairman, I just want to take this opportunity to welcome General Burba and General Johnson.

General Johnson happens to have been born in the county where I am living, Aiken, SC. We are very proud of him and have a lot of confidence in him.

Senator DIXON. And he is now living in my hometown, Senator, so we both have confidence. [Laughter.]

Senator THURMOND. That is fine. I am glad you feel that way toward him.

I just want to address one comment to General Burba. As we reduce the Active forces, it appears to me that you may have to increase the Reserve forces, which can operate, I understand, for about one-third of what it costs of the Active forces.

Therefore, I suggest you look into that carefully.

I ask unanimous consent to place my statement in the record, Mr. Chairman. I also have some questions to be answered for the record.

I am sorry that I have to leave, but I have to go to another meeting.

Thank you, Mr. Chairman.

Chairman NUNN. Without objection.

[The prepared statement of Senator Thurmond follows:]

PREPARED STATEMENT OF SENATOR STROM THURMOND

Thank you, Mr. Chairman:

General Burba, General Johnson, I want to welcome both of you to this morning's hearing.

General Johnson, I enjoyed our meeting earlier this month and the opportunity to discuss the various issues facing your command, especially the need for the C-17. Although many in the Congress question the need for the C-17, I personally believe that we need the C-17 and that it will meet all expectations.

General Burba, I expect that as we draw down the Army's force structure you will be facing some difficult decisions regarding the Army Reserves. As you know, I have always been a strong supporter of both the National Guard and Reserves. In that regard, I am pleased to hear that the Army has decided to establish a three star billet in Forces Command specifically to manage the Army Reserve forces. I believe this will be a significant step toward making the Total Force Concept a reality.

Although you both have been in command only about 6 months, I know you have already left your mark on both the Forces Command and the Transportation Command. I wish you continued success.

Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Thurmond.

General Johnson, how would you characterize the trends in U.S. sealift capability today? Are we getting better, are we worse, or are we staying about the same?

General JOHNSON. Sir, we are decreasing over time. We are now down to 138 dry cargo U.S.-flagged ships. And we have about 95 ships in the Ready Reserve force that can be brought on-line in 5, 10, or 20 days.

The number of our seamen has also gone down. We currently have about 28,000 active seamen. They occupy 12,700 billets on ships. We are going down in the number of seamen, we are going down in number of liner ships, and we have not built a new ship since 1987.

There is currently a Non-Self Sustaining Container Ship on contract from the Matson Lines with NASSCO, the National Steel and Shipbuilding Company of San Diego. But that is the first new ship that we will have built in U.S. shipyards since 1987.

It is definitely declining, sir.

Chairman NUNN. I believe there is a term that has now come into play called effective U.S. control shipping. As I understand the term, I think it applies to ships which are owned by U.S. companies, but fly under foreign flags of convenience, and usually have foreign crews and foreign flags.

How responsive is this group of ships to your control?

General JOHNSON. Sir, under the Merchant Marine Act of 1936, we can take those ships, any U.S.-owned ship. We can acquire those in wartime to carry out our mission.

Unfortunately, those flags of convenience ships are dwindling also. It is no longer economically desirable to have flags of convenience.

In the past there was a law that said that they would be treated as foreign companies, and now they are treated as domestic. So the tax liability is the same as if they were U.S.-owned.

The advantage, of course, is foreign flags can have foreign seamen, that is why we have 138 ships in the foreign flag today, effective U.S. control. We believe that we can get those, but they are around the world. As you know, from watching the Persian Gulf days, flags can change as ships enter harbors, so we are not as confident. That would be third or fourth priority of ships.

Chairman NUNN. Do you believe that it is practical to be able to count on those ships in scenarios, let us say, such as escorting ships through the Persian Gulf, or let us say some contingency in Africa?

General JOHNSON. We would certainly request those ships, as we would request ships from around the world. We would hire ships. I think that they would be slightly better than non-U.S. flagged as far as our ability to get them to take our cargo to various places.

Chairman NUNN. Do you think it would be as available—you said as non-U.S. flag?

General JOHNSON. That is right, sir. I say they would be slightly better than if we went out and hired a ship from any country.

Chairman NUNN. You mean non-U.S.-owned?

General JOHNSON. Yes, sir.

Chairman NUNN. But what we are talking about is non- U.S. flags?

General JOHNSON. Yes, sir.

Chairman Nunn. Do you have any kind of assessment as to how reliable those crews are in various situations? Have you done any assessment, for instance, of the make-up of the crews—their nationalities, their political loyalties—for various scenarios in the world?

General Johnson. Most of the crews really are not political. They come from various Third World countries around the world where they have low wages—the Philippines, Taiwan, places like that—to operate one of those ships every day costs $1,800 a day. Ours cost $8,800 for the same type crew, so you can see there is quite a difference in the wage scales between U.S.-flagged and non-U.S. flagged.

Chairman Nunn. It seems to me, in reading some of the documents, that there is a basic trend toward defining away the sealift problem by just claiming that those ships are going to be as available as any others, and that even though they have foreign flags and foreign crews that there is no difference. Are you comfortable with that trend?

General Johnson. No sir, I am not. I think the most reliable ships, obviously, are U.S. flagged—first of all, backing up for a second, the most reliable are the ones the U.S. Navy owns. There are only eight of those—the fast, sealift ships.

The second would be U.S. flags, and our ready reserve force would be third, and then the effective U.S.-control would be fourth in the order of how we would expect to get them, in order of priority.

Chairman Nunn. Thank you. Senator Wallop?

Senator Wallop. Thank you, Mr. Chairman.

General Johnson, given the obvious constraints which both you and General Burba addressed, and given our need not to have a hollow army, and given the fact that the C–17 program is running around $37 billion with a new wing component problem, to what extent can commercial aircraft like the 747 meet the airlift requirements of the future?

General Johnson. We use commercial airlift almost totally for carrying passengers, and we use all the cargo capability available, but the commercial aircraft cannot do the same sort of jobs as the C–5, C–141, and C–17 can do in carrying unit equipment.

Senator Wallop. Well, for example, how many C–5s have been used in their short field capacity?

General Johnson. In their short field capacity? The aircraft requires 5,000 feet of runway, and we use them down to 5,000 feet routinely.

Senator Wallop. But in operations such as Grenada or Panama that was not necessary, was it?

General Johnson That is correct.

Senator Wallop. I guess the point is then, going back to Scoop Jackson, sacrificing a little in performance to gain a lot in capacity and to be able to use some big portion of that $37 billion to maintain currency, competency and the rest of it would seem to be a consideration. In other words, off the shelf aircraft modified to carry the loads, even if they do not have the short fuel capacity.

General Johnson. Are you talking about the civilian now, or the C–5?

Senator **Wallop**. Yes. Well, I am talking about a 747.

General **Johnson**. On the civilian side, we use all of the cargo and passenger capability of those liners today.

Senator **Wallop**. I understand that, but I am saying these are airplanes we know how to build and are already in production and they are not $37 billion away. I mean, we have not yet had a flight on the C–17.

General **Johnson**. Yes sir, but going back to the C–17, I do not know of any wing problems that the C–17 has. It is about 6 months late on first flight, but we believe it is a very strong and healthy program.

Senator **Wallop**. Well, I thought there was recently a major subcontractor realignment with regard to wing component production.

General **Johnson**. Yes, sir. The Douglas Company had a contract with another aerospace company to build the wings, and there were eight subcontracts associated with that.

Douglas, for business reasons—certainly not things that I would be involved in—decided to terminate the contract with the second company and it was on an agreeable basis. The subcontractor's cost had grown very high and he could not make an affordable wing, in the judgment of both Douglas and that subcontractor. Now, that is on lots one and two.

For lot three, it has gone with individual subcontractors and four of the eight are the same ones who were working the original parts for one subcontractor.

Senator **Wallop**. What is going to be the overall cost of the C–17 program, including R&D and compared to that of other wide-bodied aircraft like a 747?

General **Johnson**. The current cost has grown to $41 billion. It was $37 as you spoke. It went up because of changes that you and we made last year, about $2 billion, because we stretched the program and then inflation accounted for the remainder. We have not seen cost growth for other than those two causes.

Senator **Wallop**. I just have to tell you that I would like to see us examine what can be done with the purchase of off-the-shelf programs versus the amount of money that we might be able to spend on other military programs that are going to be stretched in all of those decisions.

General **Johnson**. Yes sir, and we do that, as I mentioned, in the sealift. Almost all of our sealift comes from commercial sources other than the eight ships the Navy owns. In the ground transportation, it is virtually 100 percent. We own 2,600 rail cars.

In the air, we have about 50 percent in the organic and 50 percent in commercial. Now, of that 50 percent organic over half is in the reserve forces, so we have a good mix, and as a Nation we need some active capability to do the various contingencies and support missions around the world.

Senator **Wallop**. Well, for example, the Guard and Reserves are very short of modern airplanes.

I do not think you quite understand the nature and direction of my question.

I am just saying that we know how to build these airplanes, and their procurement is going to be significantly cheaper and the number of them that we could acquire for our—what, 66 million ton miles a day, would seem to be greater for less money.

I am not talking about what we own now and what we do with 50 percent here and 50 percent there. I am saying, what could we do with this $37 billion, applying it to the acquisition of aircraft that we know how to build and some also to the other military programs that are going to be stressed by the size of this one.

General JOHNSON. Yes sir, I understand your question. We are using all of the commercial, whether we own it or it is owned by commercial companies, capability that we believe we can, just because of the way you have to load the aircraft and the type of equipment that you can carry.

The C–17 is being built alongside commercial airplanes at the Douglas Company and all the techniques—in fact, the techniques on the C–17 will bleed over in the commercial side. It is state-of-the-art. If you design a new airplane to do the job that this is designed to do, the airplane would look much like the C–17, if not exactly.

We need the C–17 for three reasons, at least. One is the overall capacity that you mentioned. Two is, we need to be able to deliver forward in the battle area to support General Burba's troops that will be going forward, and the third is, as I mentioned in my opening statement, the C–141 is becoming a very tired aircraft and needs to be replaced. It is running out of useful life. It is three times older than the airlines that you fly.

The normal airline, a healthy airline, has about an age of 8.5 years. Some of the less healthy ones are up around 13 years. The C–141 is up at 25 years, and if we do not replace it soon it will be up in the 44-50 year age.

Senator WALLOP. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Wallop. Senator Shelby?

Senator SHELBY. General Burba, when we are thinking of more mobility for force projection, how are we going to handle our antiarmor, antitank weapons?

I am familiar with the situation that we experienced in Panama. We had the use of some anti-tank weapons there, but in the future it seems to me, and some of us on the committee, that if you are going to have mobility around the world you are going to have to have real effective state-of-the-art antitank weapons, both light and heavy.

Do you want to comment on that?

General BURBA. Yes sir, Mr. Senator.

Senator SHELBY. What are your views?

General BURBA. We need two types of antitank systems. We need a kinetic energy system that a tank-type system will give you. We have had on the drawing boards for a number of years the so-called armored gun system. We previously called it the mobile protected gun system, I believe.

Previously, with the European threat we did not have that much of our structure oriented on light forces and light forces requirements. We had one division that had a requirement for the armored gun system, and as a result we never could properly articulate a case for that system.

We are certainly hopeful that we will be able to articulate that case now that deployability becomes increasingly important, as we bring more of our forces home from Europe and other locations to the United States, and importantly, given the number of antitank systems that you find in the Third World countries today. The so-called low-intensity conflict is no longer very low-intensity anywhere that you go, as you well know.

Of course, the other thing that we are very concerned about is, as the Soviets draw down their forces, what is going to happen to their tank force that they are drawing down? We are hoping that it does not end up in the Third World, but certainly there is that opportunity, so the antitank threat is going to be with us for some time.

Senator SHELBY. Is it central? A good antitank weapons system, is that central for a good mobile force?

General BURBA. Absolutely, sir.

Senator SHELBY. It should be one of the high priorities, otherwise you are at the mercy of some heavy armor, would you not be?

General BURBA. Absolutely, sir. We do have another system for the light forces on the books. It has been for some time called the AAWS-M—Advanced Antiarmor Weapon System-Medium—which is a man portable system that will in fact kill a tank.

Senator SHELBY. How did the AT-4 operate in Panama?

General BURBA. That is an outstanding system, sir.

Senator SHELBY. It is a light weapon?

General BURBA. Yes. It is not an antitank system, though. It is strictly for thin-skinned armored vehicles, but it performed very well against the B-300s and fast boats and other type of thin-skinned vehicles, and will perform well against armored cavalry vehicles, infantry fighting vehicles, et cetera.

It will not kill a tank, and nothing in that weight class will be able to kill a tank. It is going to take something more robust, and we have that in this AAWS-M system (Advanced Antiarmor Weapon System-Medium) that should be on-line in about 4 years.

Senator SHELBY. Are you familiar with the fiber optic guided missile FOG-M development, as far as antihelicopter and hopefully antiarmor?

General BURBA. Yes sir, I am. It is a heavy system. It has great promise, and we have great hopes that that will be procured and brought into our force. The R&D, of course, is being kept up at a very robust rate, because there are some very difficult affordability decisions. We had to cancel the procurement for the near-term, but we have very high hopes for the FOG system.

Senator SHELBY. If we could develop that into antiarmor, for it started out as antiarmor, rather than antihelicopter, and deploy it, that would be a type weapon system that would go hand in hand with mobility, would it not?

General BURBA. Yes sir, it would.

Senator SHELBY. Okay. Let me ask you about a number of our weapon systems as we draw down around the world, assuming that we continue to do so, and it looks like we will, what about weapons such as Apaches, M-1s, Black Hawks, and so forth? Should they increasingly go to reserves and National Guard units, if we are going to rely on these units for mobility—you know, back-up—state-of-the-art stuff?

General **Burba**. Yes, sir. We already have done that, of course, and will continue to do that.

Senator **Shelby**. Some.

General **Burba**. I am concerned that we do not put too much of our heavy structure in the guard. It must be a balance.

Again, I reiterate our deep concern—Forces Command's deep concern about the Southwest Asia threat. Now, tanks are big and heavy and hard to transport and get around quickly. That is a major disadvantage. But once you are in a fight with a force that has 60-ton tanks, you are at his mercy if you do not have something to counter him.

Until such time as we have some major break-throughs in missilery warhead development, lightweight kinetic energy and importantly metallurgy, where you can get something in the 20-ton weight that you can move around quickly in an airplane, we are going to have to rely on that heavy force.

So we should not automatically assume that with the threat diminishing in Europe that we do not have a requirement for a heavy force that is highly ready, very robust, and that we can get into a contingency area quickly. We must be careful in that regard, sir.

Senator **Shelby**. Thank you. Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Shelby.

General Burba, you mentioned the Southwest Asia threat two or three times. Could you be more specific? What are you talking about in the Southwest Asia threat?

General **Burba**. Sir, I am just trying to project out 5 to 10 years. Contingency threats, as you know better than me, I am sure, have always been difficult to predict.

When you look at the world and the potentials for conflict, you see that oil is our principal energy producing means. There are no alternative means that are economically feasible at this time. Much of that oil is in that part of the world. Given the tremendous demands in the next 5 to 20 years with the Third World developing particularly in that part of the world, there are going to be tremendous demands.

Chairman **Nunn**. You are basically saying time is not on our side today, I suppose, because you are saying we are getting more and more dependent on imported oil?

General **Burba**. Yes, sir, I am, and the third world needs that oil as well.

Chairman **Nunn**. The administration leaked out part of their Defense Guidance about downgrading the threat in Southwest Asia. They are downgrading it in the Defense Guidance and specifically talking about that in public.

Do you agree with that downgrading?

General **Burba**. Sir, I was not aware that it was downgraded in the Defense Guidance. I will just have to say I will have to review the Guidance again and comment.

Chairman **Nunn**. The administration made a big thing out of that and leaked it two or three times to make sure everybody got it. [Laughter.]

We had not talked about it, and we have not been able to get into detail on it because it is still classified. In fact, we have no official copies of it, but it has been thoroughly discussed.

Actually, press reports of the administration leak said that we would no longer consider as a major threat, the United States having to go in and try to prevent the Soviet Union from taking Iran. That is the part of the Guidance that has been significantly downgraded.

We received testimony from the Commander in Chief responsible for that area of the world that he agreed with that assessment.

General BURBA. I have read the Defense Guidance. I did not pick that up out of my reading of the Guidance. I will just have to go back to the drawing boards and read it and, number one, find out from the analysts what they are basing their assessment on and get back to you, sir, for the record, if I could.

[The information follows:]

I have read the Defense Planning Guidance. Because it is a classified document, I cannot discuss it in detail during this session. It is my understanding that the priority accorded the importance of the oil supplies has not been degraded in this year's planning guidance. I believe that the thrust of my earlier remarks and your remarks regarding the importance of this region is consistent with the Defense Planning Guidance.

Chairman NUNN. Of course, there is no doubt we are getting more and more energy dependent. You are right on that part of it. Senator Lott.

Senator LOTT. Thank you, Mr. Chairman.

General Burba, I apologize for missing some of your other comments and answers to questions and your opening statement. I do not think you have been questioned about your role in working with FEMA and natural disasters. Have you had that question yet?

General BURBA. No, sir.

Senator LOTT My home area is on the Mississippi Gulf Coast, so we are prone to hurricanes about every 10 years, plus we have tornadoes. Right now we have floods and continuous natural disasters. We had Hurricane Hugo last year. You know, there is going to be a continuation of that. I personally think it is one very important role for our military to be helpful in these natural disasters as well as a military disaster.

I know that after Hurricane Elena a few years ago we had great difficulty with the Pentagon and FEMA in coordinating their efforts. The military branches, both the SeaBees and the Air Force, were more than willing to be helpful. In fact, in one instance we had airmen who had volunteered and who were very helpful, but we had a big fight over who was going to pay for the gas for the school buses to move them, which is totally ridiculous.

I know the SeaBees especially can be tremendously helpful after these natural disasters. I guess the question for you is do we have some of these kinks worked out? How did it work last year with Hugo and the California earthquake in coordinating your efforts, particularly in the immediate aftermath of these disasters and working with FEMA?

General BURBA. Sir, we can react very quickly to those disasters when we are asked to and, of course, FEMA——

Senator LOTT. Wait a minute. What do you mean when you are asked to?

General BURBA. FEMA has the driving role in that regard, and they come to us. We immediately put our assets to their avail.

Senator LOTT. Okay, that worries me because FEMA does not have a very good track record. If the military waits on FEMA to get you to move, the disaster will be over with.

I would hope that you have some of your own initiative you could take in immediate aftermath where roads are closed and where sewer systems are shut down. If you wait for FEMA to come to town and call you in, they will not need you.

General BURBA. We participated in a very robust manner in the hurricanes that we had last year, the earthquake, and in firefighting exercises and oil spill exercises. We, as I say, are very responsive. We have troops that are ready to employ on a moment's notice for real world contingencies, military contingencies, and we can use them very quickly.

Senator LOTT. I know the SeaBees moved very quickly a lot of equipment and personnel into Hurricane Hugo's aftermath.

I guess the question I want to ask you is this. A few years ago we changed some of the laws to make it more, I guess, permissible and readily available for the military to be involved after these disasters. Do we need to look at any additional changes in the law? Do you think you have the authority you need in existing law to be involved?

General BURBA. I think there is nothing wrong with the laws. I think that some of the policies need to be smoothed out in the coordination procedures. During the earthquake, you know, a great deal was learned. During the hurricane season, once we were given the word that support was required and what it was, we responded literally within hours during the hurricanes and then had a very, very important role in the disaster relief efforts. During the earthquake, FEMA came to us immediately, and we responded immediately.

So I think there is no problem with the law as I know it. I am not an expert on it. I must say that.

Senator LOTT. I hope you would make it a point to go back and check and make sure if there are any kinks that need to be smoothed out, do it now and not after the disaster has occurred. We learn from each disaster, hopefully. I hope that if there are some policy questions that need to be smoothed out, you will do that.

Thank you for your time.

General Johnson, you have already had some questions from other members of the committee, and I have asked several witnesses so far this year about fast sealift capability. I just do not understand the logic which maintains that we have a strategic lift requirement. We have problems there that we have been talking about for years. Yet, when we have the opportunity to improve our capability, the Navy, the Pentagon decides to give up the money in favor of other items.

Now my question is this. I know you have some ships. I know you have crew problems with which you have to be concerned, but when are we going to seriously address this problem? I am a supporter of the C-17. I also think we are not doing nearly enough in the sealift capability area.

General JOHNSON. Yes, sir. As you are well aware, we have eight fast sealift ships that can go 30 knots sustained, 33 knots fast. We have other commercial ships that can do up in the 22 to 23 knot range.

Last year Congress appropriated $600 million to build a commercially viable militarily useful ship, and DOD is working up options to come back to you in a report. I know that the Secretary has deferred the moneys because he does not yet have a plan, but I do not believe he has rejected the need for fast sealift.

Senator LOTT. As you know, as we are going through these changing times and looking to our future needs we are talking about rapid requirement, associated transportation requirements in this new era we are moving into, and it seems to me this ought to have a very high priority.

General JOHNSON. Yes, sir. We believe in going anywhere in the world. Take Europe, for example, which is one of the shorter ones unless you go to Panama or something like that. The first 10 days we are reliant primarily on airlift, both commercial and organic. By day 15, then the fast sealift starts closing. By day 20, the normal sealift is there. Now you can go a day or two either way.

We believe that a commercially viable, militarily useful ship is the way to go as opposed to building new fast sealifts like the ones we have tied up now. Those ships were unique. They were built for the Sealand Company in Europe. They have very fuel inefficient engines. When the price of oil went up, it was economically not viable to operate those ships. We bought them at a bargain basement price and converted them to roll-on/roll-off ships. They are very, very useful. Those eight ships can carry a mechanized division.

Senator LOTT. They are not enough. I think everybody acknowledges that. I am just glad we have those. I think we would be in very bad trouble, even more so, if we did not have them.

This is something that I think the Armed Services Committee and the Congress is not going to neglect and is not going to give up on. So I would hope that the Pentagon would lead, if the Secretary is working out a plan. I would hope he would have one before too long and will make it available to us.

General JOHNSON. Yes, sir. We would like to see it approached from a national level. As a maritime nation, we need a maritime industry; and of course, we will continue to rely on that industry to carry military cargo.

Senator LOTT. Thank you, Mr. Chairman.

Chairman NUNN. Thank you, Senator Lott. Senator Dixon.

Senator DIXON. Thank you, Mr. Chairman.

General Burba, I just want to say to you that I agree thoroughly with the final two remarks you made in your statement to the committee concerning the need for us to do all we can to prevent ending up in a situation where we have a hollow army, a hollow standing force. I thought that point was important. Also, your indication that we ought to take care of those who leave the volunteer service I think is equally important.

I want to say I agree with my friend from Mississippi. I think that as you see this drawdown, there would be differences of opinion, I expect, in the Congress and among all of us about how quickly some of that ought to take place in Europe, Korea, and other places. It would seem at least to this Senator that the sealift and airlift capabilities become so immensely important to see to it that we have the capability to get them where we need them in short order and very quickly to deliver a maximum punch.

Do you agree with that?

General **Burba**. Sir, I agree with that absolutely. We are on the margin right now. More capability is going to be required in the future. We just have to have a stronger sealift and airlift force.

Senator **Dixon**. My friend from Mississippi has developed some of that on the sealift side. Generally, I agree with what he said. I just wanted to develop with you, General Johnson, the concerns that you have expressed to me on many occasions about our C–17 program.

How many C–41s do we have? Is it 260?

General **Johnson**. 234, sir.

Senator **Dixon**. Those are a quarter of a century old. They are 25 year old airplanes. We have how many C–5As and C–Bs? Over 100, I guess?

General **Johnson**. Yes, sir, 110.

Senator **Dixon**. 110. I guess conceptually we are supposed to end up with 220 C–17s eventually?

General **Johnson**. 210 or 180 equivalent.

Senator **Dixon**. We are not doing that very rapidly. I think we cut it from six to four for this year; is that right?

General **Johnson**. Yes, sir.

Senator **Dixon**. The authorization for this next year is supposed to be six, I believe?

General **Johnson**. Yes, sir, six.

Senator **Dixon**. Then 12 in 1992, and then that miracle takes place where all of a sudden we are going to authorize 25 every year thereafter until we have 210. I have seen that a lot of times around here.

We have a plane that is too old to fly, a 25 year old airplane too old to fly. You have shown me pictures of these planes and the fatigue in the metal and other things these planes have experienced; is that not so? These are dangerous airplanes.

General **Johnson**. Well, I hope they are still safe for the people flying them, sir, but we are watching them very carefully. We have had some cracks in landing gear struts, and we have had insidious cracks in bulkheads about which we are very concerned. That is why we have restricted some of the training activities that we need badly.

Senator **Dixon**. So we are bringing all of these people home. All of us endorse that and think that is the thing to do. There is a difference of opinion among us about how it should be done, I expect, and the numbers.

Then we have a need somewhere, we have to take these people somewhere somehow——

General **Johnson**. Yes, sir.

Senator DIXON. ——as you have pointed out quite correctly, first of all, to get them there in a hurry by plane and ultimately by sealift, and there is a time duration involved to get them there by sealift that you have indicated normally would be around three weeks, something of that sort.

General JOHNSON. Yes, sir.

Senator DIXON. I suppose it would be safe to say you certainly agree we had better not mess with those six this year. We had better give you those six C-17s this year.

General JOHNSON. Yes, sir. I believe the program is quite healthy. I support all air transportation. The C-17 is a strong program. The Douglas Company has had challenges, as has all aerospace, some of which by having too much business on the commercial side. Boeing has the same blessing.

But the C-17 now has no show stoppers. It has a couple of challenges left. The aircraft is performing very, very well. Some would say that the aircraft cannot meet some of its design criteria. That is not true. One that is often mentioned is 167,000 pounds for 2,400 nautical miles.

Working their weight budget, Douglas comes up a few miles short, about 70 miles short, using JP-4, but that is still a paper airplane. If we use the kind of jet fuel we are going to in JP-8, they can make that with no problem. That 167,000 pounds came from what Douglas said they could do. Our original request was 130,000 pounds, and the minimum we need to carry 2,400 nautical miles is 160.

The critical leg is between here and Lajes around the world, and that is 2,290 miles. So we really do not have shortfalls. We do have some challenges electronically as we do with all aircraft.

Senator DIXON. I thank you, General. I want to stress again we have 270 airplanes out there that need replacement as quickly as we can find some capability for doing so. I think that is one of the challenges that this committee and others in the Congress have to recognize as an important challenge for us if we are going to meet these airlift requirements. That, I think, will be a very necessary part of our maintenance of our national security, strength and interests around the globe as we return these people home.

General JOHNSON. Yes, sir. I would like to say here that our airlift and sealift, for that matter, do more than just support our U.S. military. Our airlift supports activities around the world. Normally when the UN wants to go someplace, we are the only way they can get there.

As you recall, last year the Soviets tried to carry some troops down to Southern Africa and were successful after a while, but we are the world leader in transporting people and equipment around the world for everyone, not only the U.S.

Senator DIXON. My time has expired. Thank you, Mr. Chairman.

Chairman NUNN. Senator Exon, would you yield 1 minute to me so that I can follow up on Senator Dixon's question?

Senator EXON. Certainly.

Chairman NUNN. I am a little puzzled about the C-17. I had understood there were some serious problems and you are saying, General Johnson, there are not.

I had understood that the specification of full load, which I believe was 167,000 pounds, that the Air Force and the contractor both agree that you cannot fly from Dover to the Azores with that kind of load with the present capability.

The dispute is whether the splashdown would come at 30 miles or 60 miles from the Azores.

It seems to me that that is a serious problem unless you are redefining the problem by changing the specifications in the middle of the situation. What is happening?

General JOHNSON. Sir, the specs say 167,000 pounds for 2,400 nautical miles. The Azores are 2,290 for comparison. At the current time the weight budget, the weight of the aircraft using JP-4, they come up 78 miles short of the 2,400. Now, if they use the new fuel, JP-8, there is not a problem.

Going back to the specification, the specification was based on what Douglas said they could make 167,000. We have added some new equipment on the aircraft that has added weight, and originally we asked for 130,000 pound payload.

We still are confident we can get the 167,000 pound. The minimum for us is 160,000.

Chairman NUNN. Well, you are saying you had unrealistic specifications, then?

General JOHNSON. No, sir.

Chairman NUNN. Well, what is the purpose of a specification if you do not meet it, if you do not intend to meet the specifications?

General JOHNSON. It is a contractual arrangement.

Chairman NUNN. You are basically saying that the specifications were not needed, that you overspecified?

General JOHNSON. No, sir. The specs are a contractual arrangement between the U.S. Government and the contractor. In our acquisition business we have thresholds which are less than the specs. If Douglas does not make 167,000 and 2,400 nautical miles, they are penalized.

Will the aircraft not do the mission? It will still do the mission as long as we can get the smaller number 160,000, but the specification is a contractual arrangement between the government and the company and if they do not make that financially it costs them, and we want that payload.

The aircraft started out having a little bit larger payload on paper but, again, it has not flown. We are confident that we can manage that weight to give us the specifications, to meet the specifications. But, right now, you are correct. They are 78 miles short. That is the way they track how well they are meeting specifications.

Chairman NUNN. Thank you, Senator Exon.

Senator EXON. Thank you, Mr. Chairman.

Gentlemen, welcome. You have been asked two or three times this morning about the next most likely trouble spot and, General Burba, you have indicated that it could be Southwest Asia. I agree with that.

It seems to me that if things continue to move as they have in Europe, which we have always kind of concentrated on—sometimes I think over concentrated on from the standpoint of the outbreak of hostilities—it is clear to me that the next most dangerous spot is Southwest Asia and the Persian Gulf.

I was quite puzzled by what Senator Nunn brought up when the administration came out and said well, there was a lessening of hostilities there. If we do not have to worry about hostilities in Europe, if we do not have to worry about hostilities in Southwest Asia, then I wonder how much we need to worry about fast sealift although I have been one of the earlier members of this committee that helped procure the earliest sealift back at a time when everybody was not giving it too much attention.

My question is this: Do the two of you have any input with regard to this advance planning or are you more or less in the position of having other people making the determinations then which are handed down to you to work out as best you can? Are you part and parcel of our advanced planning at the current juncture or do your commands more or less make up the position of following on what others decide?

General BURBA. Senator, I personally have been involved with the force structure decisions and budgetary decisions dealing with the budget this year, and there are ensuing discussions going on at this time relative to the POM in the outyears, and I am part of those discussions, both at the departmental level, the Department of Army level, and then we have been asked to come up a number of times to the JCS meetings with the staff, with the Chairman and importantly with the Secretary of Defense as well where we have been asked to express our comments on those programs.

So, at the departmental level involved in substantive input of how the programs were developed and then later at the JCS Chairman and Secretary of Defense level been asked to comment on the package as it was finally put together. So, I personally have been involved.

Senator EXON. Well, now, let us not confuse the question. I think what you have just said is what I am fearful of. You are called in after the decision is made about whether or not we have a serious threat in Southwest Asia. That is when you are consulted.

Are you consulted about what you think about the pressure points in the world today?

General BURBA. Yes, sir, I am. That input went into the Department of the Army as they were putting their program together to be introduced into the joint arena.

Senator EXON. Well, I wish you would then check, General, because I was quite surprised at your answers to Senator Nunn's question about not seeming to be knowledgeable about what the administration said in their budget preparation. They did not say so, but the only thing I could interpret is there are not any pressure points around the world today, and we really have not got anything to worry about, but I do not think that is the case.

If we do not have a pressure point in Europe and if we do not have a pressure point upcoming possibly in the future in Southwest Asia, where are the pressure points? I suppose something could happen in Africa, but that is not likely now. Maybe it is in the Pacific someplace.

I guess what at least this Senator is trying to say to you is we are not sure that there is enough advance planning. I am not sure there is enough advance planning in the area of threat assessment.

Getting into this advanced planning proposition, I listened to your answer to the question from the committee with regard to how we are going to get tanks to a certain place, and that is a major problem for you. I can understand that. How much planning is going in right now on prepositioning of something as heavy as a tank somewhere in Southwest Asia? Other than Diego Garcia, are we trying to preposition some equipment if not forces in that area.

General BURBA. We do have some equipment prepositioned, more logistics rather than equipment. I do not think I am in a position to discuss that in open forum. If I could talk to you privately or for the record presented in a closed session or whatever, I would be happy to do that, but I cannot say in open forum that we are—that we do have preplanned logistical packages in that part of the world.

Senator EXON. What arrangements, if any, do we have with our military allies, such as the Israelis? Can you comment in open session as to whether or not we have any arrangements with the Israelis for the prepositioning of such equipment as tanks?

General BURBA. Sir, I cannot comment on that. I will have to present that information to you for the record.

[The information follows:]

[Deleted.]

Senator EXON Okay, let me go to another matter. The Philippines continues to be a worry with regard to Clark and Subic bases. What can you tell us today about fallback plans that we have, which I assume would be Guam and Singapore, if, for some reason we are not able to get a renewal of our lease agreements at Subic and Clark sometime next year?

How far along the road are we on that and how difficult do you see such a change in strategic planning for the Pacific would be?

General BURBA. Sir, that is outside my area of responsibility. I can just say that forward basing is critically important for us.

Clearly with the burgeoning economic development in the Pacific, the Pacific Rim countries and our economic interdependence with many nations, given the situation in China, given the pressures for oil that are going to increase as China begins to develop and other countries in Asia continue to develop, that part of the world is going to be very important to us. But, I cannot comment on the basing issue because that is not in my area of responsibility, and I have not been brought into those discussions.

Senator EXON. General, do you have anything to add in that regard?

General JOHNSON. On the basic issue any changes will change our task. If you were to move to Guam, the transportation task becomes much larger because of distances in the Pacific, as you are well aware.

We watch that very carefully from a transportation standpoint. I cannot give you any insights other than what you have about Singapore, Guam and some of the other islands in that area. We use the Philippines very much, but we use it because of forces there from a transportation standpoint.

We could support forces elsewhere at a greater expense.

Senator EXON. At least I think it is true with regard to Subic—not so much with Clark I suspect—but as I understand it not only is Subic well located, but it is extremely well staffed by Filipino experts on repairs to ships, et cetera.

I am told that in the whole world we do not have any better place than the Philippines as far as trained manpower is concerned. That would be most difficult, I guess, would it not, if we did move to Guam or to Singapore?

General JOHNSON. There are commercial sources in Singapore that the Singaporeans would say are equal to the Filipinos. I could not judge between those, but certainly Singapore has tremendous ship repair capabilities in being, and that labor force is a bit mobile, as you are well aware, sir.

Senator EXON. Thank you. My time is up, Mr. Chairman.

Chairman NUNN. Thank you very much. Senator Lott.

Senator LOTT. No further questions, Mr. Chairman.

Chairman NUNN. General Johnson, let me turn to another subject on tactical airlift.

Currently the Air Force operates tactical airlift aircraft that average about 25 years of age. Despite that, they have been performing very well in Panama and so forth. The first question I want to ask you gets back to the comments you made about the C–141, and then we will go to the tactical question.

Is there not a difference between the age of an aircraft and the number of flying hours? Is that not rather fundamental? For instance, I am told that the Air Force normally flies airplanes at about a fourth the rate of the commercial fleet. Am I correct on that?

General JOHNSON. The commercial fleet certainly gets more flights. I do not know if it is four times as many cycles as well as hours is what makes the differences on structural, the cycles, landing, takeoff, et cetera.

Chairman NUNN. But you just cannot say an airplane is 25 years old and, therefore, it is about to fall out of the sky, can you?

General JOHNSON. No, sir, unless you look at the structure and find the same things on C–141s as you find on the aircraft in United and elsewhere, some of the structural cracks that come with the cycles and use.

Of course, we fly our aircraft at low level, which the airlines do not. We have to do that for tactical reasons, supporting the Army and so forth.

Chairman NUNN. But you include all of that. You do not look simply at the calendar year of the aircraft?

General JOHNSON. No question, sir.

Chairman NUNN. You look at the cycles, you look at the flying hours, you look at all of that. Looking at all of that on the C–141, how do we stand on the C–141 and then we will ask you the same thing with the C–130s.

General JOHNSON. The C–141s we have around 25 years average. It is a little over 31,000 hours effective flying hours. It is currently supposed to be a 45,000 hour aircraft. To get to 45,000 hours we have to repair some of the cracks I was talking about earlier, coming primarily from the low level activity and the air refueling.

Chairman NUNN. Is 35,000 hours the average?

General JOHNSON. 31,000, sir.

Chairman NUNN. 31,000 is the average and 45,000 is what it was built for?

General JOHNSON. Yes, sir. And we have four that are approaching in the low 40s.

Those were lead the fleet-type aircraft. The others are a bit behind.

Chairman NUNN. What about the C-130 fleet? Do you see a need for modernizing the tactical fleet and how does it stand in terms of hours and so forth?

General JOHNSON. I cannot give you the hours. The active force of C-130s are about 25 years old. We have mostly E models in the active. We have about one wing's worth of H models.

The aircraft in our Reserve forces have shorter lives because we have modernized them a little more than we have the Active. We very much need to modernize our C-130 fleet. It is a matter of priority about when we do that, but the fleet needs some changes now, modifications to the airplanes or new aircraft to replace the older E models.

We have a very strong total force in airlift in particular. In fact, we have more reserve and guard in the Air Force in airlift than in any other area, and they do an outstanding job.

Our Active force has dwindled over the years. We have four deployed forces in Japan, Germany, and also a rotational unit in England. To support those we only have three units in the United States. We need to modernize that fleet. It is a very important part of our national defense. We also have C-130s in Alaska which I failed to mention.

Chairman NUNN. You have got the C-17 that is really the modernization program for the C-141 and, of course, updating the C-5, is that right, in the strategic lift?

General JOHNSON. Yes, sir. It really modernizes the C-141.

It can do direct delivery into fields as short as 3,000 feet, but it has to take a load over from the C-141 because of the problems I mentioned earlier.

Chairman NUNN. What are you planning now to replace or modernize the C-130s?

General JOHNSON. At the current time the C-130 is still an active production line, and we do not currently have another aircraft other than C-130s to replace the C-130s.

There was some thought a few years ago about going out for an advanced tactical aircraft. We do not currently have any ongoing activity in that area.

Chairman NUNN. So, we are depending on that active production line to keep up some type of modernization program on the C-130s?

General JOHNSON. Yes, sir.

As you are well aware, the C-130 feeds more than just airlift. All the multi-purpose aircraft almost use the C-130 for a flying bed. The SOF airplanes, the special mission airplanes, the AC-130, the gun ship uses the C-130 air frame. So, the C-130 air frame will be around for a long time, sir.

Chairman **Nunn**. Have you made any requests for C-130 aircraft in this year's budget?

General **Johnson**. The budget is not in yet. We have looked at adding C-130s to the Active. We have an active proposal which the Secretary of the Air Force has asked our developers to look at from the Lockheed Company.

Chairman **Nunn**. Is that the C-130J that you have been talking about?

General **Johnson**. Yes, sir, the C-130J would change several things. It would give a more efficient engine, a different propeller; it would modernize the cockpit and the landing gear of the aircraft. It is slightly more expensive than the C-130Hs on the order of $3 million, increasing the price from $21 to $24 million, and those numbers change a little bit over time.

Chairman **Nunn**. What is the status of the C-130J program now? Has your command recommended it or are you studying it? What is the status?

General **Johnson**. Sir, our proposals are not in yet. We have a proposal that would begin procuring that aircraft over time. And that is what we will present to the Air Force and, in turn, to DOD.

I am not sure where that will stack up in the priorities, but for us it is important.

Chairman **Nunn**. How does it stack up in your priorities, from a tactical airlift point of view? And not just tactical, but the overall transportation point of view? Where is that on the priority list?

General **Johnson**. Well, it is in the area of where we would expect to be funded. It would be a little below or a little above, depending upon which way the funds go.

Our obvious number one airlift program for our Nation now, and the Congress and the administration, is the C-17. That would go higher, just because it is an ongoing program.

There is no other production other than the C-130J.

Now, as you know, my command supports all the special operations forces from the Air Force, and we have some special operations programs which are C-130 driven also, all of them except some helicopters.

Chairman **Nunn**. So you rate that as a high priority?

General **Johnson**. Yes, sir.

Chairman **Nunn**. General Burba, tell us the effect of going from 275,000, which was our previous arms control position in CFE, to 195,000, as far as your planning is concerned. You are talking about a reduction of 80,000 in our arms control position, and let us say 110,000 in our overall forces in Europe. Of course, a large part of that is Army, but not all of it.

How does that arms control proposal affect your planning, the 195,000 proposal?

General **Burba**. Well, the important aspect of that planning is that it puts more pressure on the Forces Command to reinforce Europe quickly. We are caught somewhat in a hiatus in that the political events are outrunning CFE in Europe. And there must be structure changes in Force Command so that we can allow CFE to get its maximum leverage.

Hopefully, once we reach a CFE agreement, then we would be plussed back up, so that we have a strong continental U.S.-based reinforcing force. But it clearly puts more pressure on us for higher readiness and better deployability. It puts more pressure on us for air and sealift.

Chairman NUNN. Thank you very much.

The Senate now has a special session. I have more questions, and I am sure other members would be here otherwise, but we have got a special session with the President of Czechoslovakia, so we are going to have to end this hearing.

But we will be supplying questions for the record to both of you, hopefully not many. We will try to minimize those.

We appreciate very much your leadership, General Johnson and General Burba. And we thank you for being here.

Our committee will meet again this afternoon on nominations, starting at 2 o'clock.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JOHN GLENN

C-17

Senator GLENN. General Johnson, the men and women in your command did a superb job in supporting the Just Cause operation in Panama. The operation required the use of most of your assets, and placed a heavy demand on your people and equipment.

Can you tell the committee what difference, if any, the C-17 aircraft would have made on your operations in Panama?

General JOHNSON. If we had the C-17 to add to the current fleet our flexibility, our capability would have increased and the operation could have been flown with less sorties. The C-17 would have allowed our planners more flexibility.

[Deleted.]

MANPOWER PERSONNEL

Senator GLENN. General Johnson, General Burba, as Chairman of the Armed Services Subcommittee on Manpower and personnel, I would be very interested in your assessment of our personnel readiness and quality of life programs. Last year in the Fiscal Year 1990 Defense Authorization Act, we took a number of steps to strengthen these programs, including a 3.6 percent pay raise, a comprehensive revision of aviator career incentives, major changes in medical incentives, reduced premiums for the Survivor Benefit Plan, new child care provisions, and many other measures designed to enhance combat readiness while improving the quality of life of our servicemen and women and their families.

I would appreciate your assessment of how these enhancements are working overall, and your suggestions as to how these enhancements are working overall, and your suggestions as to other matters that the Manpower Subcommittee might address along those lines.

General JOHNSON. The personnel in our forces today are the best trained, most well prepared individuals I have seen in the 31 years I have served in the military.

The concerted effort Congress made to increase the quality of life programs is just now taking effect and is bound to reap benefits for our service members. The pay raise, incentive pay, and bonuses for pilots, doctors, and nurses, and the new child care provisions went into effect on the first of the year. Furthermore, the reduced premiums for the Survivor Benefit Plan went into effect March 1, 1990. Therefore, it is too soon to quantitatively determine the impact of these enhancements but the initial feedback is very positive and we thank you, the Congress, for your attention to the needs of our people.

There are some personnel programs that do need further support. Foremost, we urgently need an early, favorable decision on our request for the fiscal year 1990 reprogramming action into the Military Personnel Account. Without this reprogramming approval we will be forced to implement policies to freeze promotions, deny first term reenlistment, and stop accessions to meet funding limitations. If not carefully planned, these actions would make any future, orderly, force structure drawdown nearly impossible. Additionally, these reductions would severely impact the morale of the service members negating the progress we have made through the quality of life programs.

General Burba. The initiatives and programs mentioned have had a positive impact on the readiness of our forces and the resultant, improved quality of life for soldiers and their families is certainly appreciated. Readiness has improved due to our combined efforts. Since early 1986, there has been an overall increase in the number of ready units in FORSCOM: in the Active component an increase of 4 percent, in the Army National Guard an increase of percent and in the Army Reserve an increase of 13 percent. Although personnel readiness is higher than in recent years, we still have a large shortage of junior NCOs in the Active component. The more than 6,000 NCO shortage which we project for FORSCOM for October 1, 1990, is a result of insufficient funds in the personnel account to promote to authorized strength levels. As proposed force structure reductions are considered as a result of potential budget constraints, resolution of the NCO shortage must be an integral feature of any solution.

Perhaps the best assessment of the impact of quality of life improvements in FORSCOM is our retention rate. In fiscal year 1989, record numbers of soldiers and their families opted to stay in the Army. More than 20,500 initial term soldiers, representing almost half of those eligible, reenlisted in fiscal year 1989, and fiscal year 1990 performance has been equally impressive. We should not take our eye off the issues, however. The 3.6 percent pay raise is positive, but there remains an 11.4 percent gap in comparability with the civilian sector. If we're to attract, and keep, quality soldiers and their families, that gap must be closed. Aviation career incentives and the changes to the Survivor Benefit Plan have shown positive trends, but it's too early to evaluate their long term effect. Maintaining an appropriate flying hour program and increasing coverage limits on the Servicemen's Group Life Insurance from $50,000 to $100,000 would support these initiatives beyond fiscal year 1990.

Development and implementation guidance for the Military Child Care Act is in its final stages at Department of Defense and Army level, but anticipation is high that the program will mean a significant increase in the availability of care and the quality of services provided to our soldiers and their families. Although full fiscal impact has not yet been determined, of great concern is the anticipated additional Appropriated Fund and Nonappropriated Fund expense to the installations. Without additional funding to support military child care, we are having to "rob Peter to pay Paul" at the installation level.

The enhanced medical incentives have attracted almost 51 percent of those who were eligible. While pay for doctors is important, equally important to soldiers and families are the facilities and ancillary personnel and services that are critical to quality health care. We would like to see improvement in the facilities and equipment necessary to provide quality medical treatment.

I ask for your support and assistance in obtaining congressional approval to continue use of the appropriated fund (APF) reimbursement procedures for MWR program personnel costs beyond fiscal year 1990.

Reimbursement gives us the opportunity to get substantially more for the same amount of APF since the NAF pay scale is lower than the APF. In addition, with force structure change underway, commanders "need flexibility in use of their resources. The APF to NAF Reimbursement Procedure gives them that flexibility. The reimbursement procedure will be used in strict compliance with MWR category funding policy. The continuation of the procedure is also critical since the Portability Bill HR. 31-39, presented to Congress August 4, 1989, has not been approved. Approval of the Portability Bill which allows NAF employees to transfer benefits when converting to General Schedule is critical if we are to convert all NAF employees to General Schedule in the MWF Mission Sustaining and Basic Community Sport Activities.

In summary, to enhance the initiatives we've begun, I would specifically suggest the following.

a. Reduction of the NCO shortage in the Active component.

b. Compensation equity with the private sector.

c. Sufficient flying hour program resources to train and retain top-notch aviator and air crews.

d. Support for increased SGLI coverage from $50,000 to $100,000.

e. increased appropriated fund support for improved child care capabilities, required by the Military Child Care Act of 1989.

f. Improved medical facilities and increased medical support personnel and equipment.

g. Support for continuation of APF reimbursement procedures in the MWR program or quick approval of the proposed NAF to APF portability plan.

MANPOWER, FORCE STRUCTURE, RESERVE AND NATIONAL GUARD END STRENGTH

Senator GLENN. General Burba, in addition to the Active force reduction of 91,000 over the next 2 years, the Reserve Forces are being reduced by 19,000, with the bulk of the reduction equally divided between the Army Reserve and the Army National Guard.

The base closure package we received also suggests additional large reductions in Army Reserve and Army National Guard strength and force structure.

Are you satisfied that the Active and Reserve roles in the Army will be balanced under the realignments suggested?

What should we do to utilize in the Reserve and National Guard the substantial number of experienced Active personnel who will be released from the Active force over the net few years?

General BURBA. The Army is a balanced Total Force today and should remain so in the future. The Army needs the unique capabilities inherent in all three (Active, National Guard and Reserve) components.

There are some types of missions that Reserve component units can execute as well as Active units. Other, more complex missions cannot be executed because of only 39 annual training days within the Reserve component. We are currently reviewing the proper roles and missions for both Active and Reserve component units so we can determine what changes are warranted in light of emerging strategic requirements. I would advise restraint on any roles and mission changes until these factors can be carefully sorted out.

Regarding the use of highly qualified former Active duty soldiers in the Reserves, we hope to avoid a negative impact on these quality Active component soldiers as we downsize both the Active and Reserve force. We must recognize that both components are an all volunteer force, not driven to service as a choice between part-time Reserve component service nor conscripted Active duty service. Certainly we owe all of these soldiers, sailors, airmen, and marines carefully thought-out, prudent courses of action Which recognize the personal, human side of the reduction issue. The services are examining these issues very carefully. I urge support to ensure that, in our haste to save money, we don't make decisions that could be construed to be capricious, unsympathetic or disloyal. How we handle these complex, sensitive issues could affect our recruiting efforts for many years to come.

To get to the specifics of this issue, we need to capture and retain the former Active component soldiers who possess the skills and qualities needed to positively affect readiness in the Reserve components. Some of these soldiers would be offered the opportunity to continue their military careers as Active component, Active Guard and Reserve (AGR), military technician and Department of Army Civilian (DAC) members of the full-time support program.

We hope to recruit other soldiers as part-time drilling reservists in the Guard or Army Reserve. The outcome of each of these efforts will be a higher quality, more ready Reserve component portion of the Total Force.

(General Johnson did not respond to the question because it does not apply to TRANSCOM.)

MANPOWER AND FORCE STRUCTURE/CIVILIAN PERSONNEL END STRENGTHS

Senator GLENN. General Johnson, General General Burba, in addition to the Active and Reserve strength reductions in the budget, civilian personnel strength is being reduced by 21,000 over the next 2 years. Of this number, 16,000 will be reduced in fiscal year 1990 through a civilian hiring freeze.

What effect will this freeze have on civilian personnel strength in your command?

General BURBA. Forces Command projected, based on previously experienced turnover in the command, that a hiring freeze would result in a net loss of 2,382 civilian employees between January and September. That projection does not include the military technician (MT) force of 8,514 which is exempt from the freeze because of the congressionally imposed floor. Based on that projection, the actual, non-MT strength should drop from 39,936 as of December 1, 1989 to 37,554 as of September 30, 1990. Approximately 820 temporary employees are also expected to be terminated.

There are provisions for exceptions to the freeze which allow some flexibility to maintain minimum mission capability and we have had such exceptions approved. The procedures are working well.

However, much will be left to be done when the freeze is over. Because Internal reassignments and promotions are frozen during the hiring freeze, the work force will become imbalanced.

In sum, people will be assigned by detail to positions which must eventually be filled by permanent personnel actions. The combination of filling positions by permanent actions such as competitive promotions and the realignment of the work force by reassignments and reduction in force actions may cause turbulence and affect morale.

I view sustaining the essential work force for base operations as our challenge and have a special concern for maintaining essential activity at the Presidio of San Francisco and Fort Sheridan where base realignment and closure actions have already caused turbulence in the work force.

General JOHNSON. The freeze will impact this command dramatically. Civilians are an integral part of our mission. They help run our installations; repair our transportation equipment and facilities; and feed our troops. With this virtually absolute freeze, civilian vacancies will accumulate to the point where they will adversely impact our ability to accomplish the necessary tasks associated with keeping our bases and equipment safe and operational. How long this will take is difficult to predict, but not the result. The freeze will enable us to achieve a rapid cutback in civilian strength, but it must be less generalized in nature and must permit sufficient flexibility for us to continue to accomplish our various missions.

QUESTIONS SUBMITTED BY SENATOR JOHN WARNER

C-17 RANGE

Senator WARNER. Recent publicity questions the ability of the C-17 to carry the specified payload of 167,000 lbs a required distance of 2,400 nautical miles. Would you comment on this controversy and address the seriousness of the situation? (This question was answered on page 49 of the testimony.)

C-17 PROCUREMENT

Senator WARNER. In your statement you strongly support the requirement for production of the C-17 transport. Would you state for the committee the most compelling reasons for this need and address your best understanding of the true cost.

General JOHNSON. The three most compelling reasons for the C-17 are strategic airlift capacity, flexibility, and modernization. We need a reliable workhorse that will give the warfighting CINCs and myself confidence we can execute missions as directed by the National Command Authorities. With the C-17's ability to routinely operate from short, austere fields, the number of available onload/offload points in Central Europe increases by over 75 percent. This increase, combined with the C-17's improved ground handling characteristics and large payload capability represents enormous flexibility for theater commanders. We were lucky in Panama since the distance was short and several thousand troops were already in place—if we had to do that same type of mission without in place troops to South America, Africa or the Middle East, it would require a dramatically increased amount of strategic airlift capability. With that in mind our current strategic combat workhorse, the C-141, is reaching the end of its service life. We must modernize if we are to maintain a credible conventional deterrent force to prevent a major conflict as well as one capable and flexible enough to rapidly respond to situations like Just Cause.

I have asked that the System Program Office (SPO) provide the ultimate flyway cost to you since they are responsible for all cost issues involving this program.

Senator WARNER. What factors do you feel have "inflated" the advertised unit costs of the program?

General JOHNSON. Again, I have asked that the SPO provide to your committee this specific information. They can best relate the finer details and implications concerning the increase in cost of this program.

ALTERNATIVES

Senator WARNER. Much has been said about possible alternatives to the C-17 transport. Why can't we get by with spending less money and keep the current airlift fleet operating?

General JOHNSON. On the surface, it may look like we can spend less money keeping the C-141 fleet flying than by replacing it. The answer is not that simple. We need, in the very near future, to spend $1.5 billion on the known problem areas just to reach the 45,000-hour projected service life. There is a risk factor involved in both expected life and cost due to structural unknowns. A good example is the pressure bulkhead area. It was not a predicted problem area, but it has turned out to be one, and we are responding with a $4 million per aircraft repair effort. To go beyond 45,000 hours, the risk factors increase significantly. Engineering studies and a teardown analysis would, unquestionably, identify future problems in the structure as did the 1977 durability and damage tolerance assessment. How many more "pressure bulkhead" unknowns are there? How serious are they? Can we effect fleetwide repairs? How much will it cost on top of a repair program already projected to cost in excess of $13 billion to reach a theoretical 60,000-hour service life? As you can see, the task, cost, and uncertainty of the outcome associated with this approach make the value of this alternative questionable.

Senator WARNER. What is the current projected life of the C-141 fleet?

General JOHNSON. 45,000 hours.

Senator WARNER. Just how important is the C-17 to you as a commander responsible for all of DOD transportation requirements?

General JOHNSON. Next to the welfare of the people in my command, the C-17 program is my number one priority. We as a Nation must be able to project our strength rapidly and the C-17 completes the equation for a strong airlift force.

Senator WARNER. Won't innovations in sealift give you all the increase in capability you need?

General JOHNSON. No. Sealift innovations, such as increased speed, are important but ships cannot replace aircraft. Sealift and airlift are complementary and must be kept in a proper balance. In simple terms, strategic airlift is critical in the first 30 days at which time 95 percent of our lift will be assumed by strategic sealift.

Senator WARNER. How about timing? It seems to me that sealift is necessary but that airlift modernization is key if we are to be responsive on short notice, such as a Panama-type operation.

General JOHNSON. Absolutely, as in the Just Cause operations airlift played a major factor in the success of this operation. Only airlift can deliver the initial requirement of troops and equipment fast enough to contain and positively influence a contingency.

Senator WARNER. Is it true that during the time of execution of the airlift for Panama that our entire C-141 fleet was committed?

General JOHNSON. Yes. However, not all of the C-141s flew in support of this operation. The C-141 fleet's Just Cause commitment from December 18-21, 1989 was 56, 57, 65, and 68 percent respectively. Another portion of the C-141 fleet was used to support our normal peacetime missions of Special Assignment Airlift Missions (SAAM), Joint Training (JA/AAT), and Unilateral Training Missions. The remainder of the C-141 fleet was on alert, or having maintenance performed at the local level or depot level.

Senator WARNER. Could we have executed a similar operation over greater distances—for example, in the Middle East or Southwest Asia?

General JOHNSON. No, not in the same timeframe. It is difficult to compare the Just Cause operation with any Southwest Asia or Middle East scenario. For examples we had 12,000 personnel in place in Panama with an associated infrastructure, C-130s could be utilized in Central America, and distances from home bases were short. None of these conditions would exist in a Southwest Asia scenario.

[Deleted.]

C-17 CONTRACTUAL CHANGES

Senator WARNER. We have recently learned of a major subcontractor realignment with regard to wing component production on the C-17. What is the real impact of this change at this particular phase of the Full Scale Development (FSD) program?

General JOHNSON. Schedule impact is negligible. In order to protect the schedule and hold down costs for the Lot III deliveries and beyond, the McDonnell/Douglas company renegotiated eight packages of the C-17 wing components. Four of the eight packages went to the original Lockheed subcontractors, three packages will be executed in-house by McDonnell/Douglas, and one package to a new contractor.

AIRLIFT/SEALIFT BALANCE

Senator WARNER. A central theme throughout your statement seems to be "balance." This, of course, not only requires balance between your lift assets, but balance between your Active/Reserve/civilian mix as well. Please elaborate your view.

General JOHNSON. Our Nation's mobility capability is, as you say, a balance of personnel and equipment from Active duty forces, Reserve, National Guard, and the

Civil Reserve Air Fleet (CRAF). In total, the USTRANSCOM organization consists of over 103,000 men and women during peacetime and mobilization would add approximately 75,000 from the Reserves and National Guard.

Achieving the proper Active/Reserve/civilian balance is an interactive mixing of the criteria of readiness, force sustainment, and cost-effectiveness. Careful consideration must be given to the Nation's ability to respond during war or national emergency, the ability of Guard and Reserve units to Recruit qualified personnel, the effect of transferring missions on forward deployment, preventing degradation of current readiness during periods of transition, and the unsuitability of civilian lift for certain military missions.

Each element of our transportation mix has its strengths and limitations in meeting the criteria. As the largest, most complex organic force, let's use airlift for an example. While the Active forces provide a majority of peacetime activity and provide the capability to quickly surge during non-mobilized contingencies, they are the most expensive forces to maintain. The Reserve forces are less expensive and provide a large portion of our wartime capability, but cannot provide the operational flexibility to support short notice non-mobilization contingencies, normal day-to-day worldwide airlift system TDY commitments, overseas rotations, alert, staging, training, and joint exercise requirements. CRAF is constrained to operations through major bases due to support requirements and specialized equipment required to on/off load their aircraft. Also, CRAF can only provide limited airlift during a non-mobilized contingency. It's real strength lies in full mobilization augmentation.

The challenge then is to maintain a proper force balance wherein elements of the total force compliment each other. That we seek to maximize the individual strengths of each is to say, element and minimize their individual limitations. It is a challenge we continually face and one at which we work very diligently to properly resolve.

SEALIFT MOBILITY

Senator **Warner**. Given that 95 percent of our dry cargo is shipped by sea in a contingency, with only 400 ships in our national pool for this mission, what steps should we be taking to insure the maintenance of a credible deterrent, posture.

General **Johnson**. A credible deterrence posture can only be sustained by a well-focused national commitment. Nowhere is this more critical than in the area of mobility. While there exists a national commitment toward airlift, sealift has just recently enjoyed the same attention with the advent of the National Security Sealift Policy and the initiatives this policy creates.

There is a direct linkage between our capability to move and sustain forces, the ability of these forces to fight, and the perception of deterrence in a potential adversary's mind. Every step taken throughout government and industry should be taken to revitalize and work toward the goal of a healthy U.S. flag merchant marine that ensures our national security needs are met.

CIVIL RESERVE AIR FLEET

Senator **Warner**. How important do you believe Civil Reserve Air Fleet (CRAF) assets to be in our ability to rapidly respond to international emergencies, and are we placing enough effort in this area?

General **Johnson**. The CRAF is an important part of our overall airlift capability and planning. In our most demanding defense scenario, fully 95 percent of the passengers and 32 percent of the cargo requirements will travel to war in CRAF aircraft. However, while CRAF is excellent for transporting bulk and personnel into major airfields, it will not lift much of the equipment needed into available airfields in most contingencies. For example, we could not have performed the Nickel Grass mission into Israel in 1973 or the Just Cause mission into Panama with CRAF assets.

The Department of Defense places a great deal of emphasis, credit, and trust in our CRAF and expends a high level of effort to keep that system healthy. Our CRAF participation has increased in the past 5 years from 350 aircraft to more than 500 aircraft offered in January 1990 and we have spent more than $575 million dollars on CRAF enhancement programs since 1982. We currently enforce a policy that requires CRAF carriers be given first opportunity to satisfy any airlift augmentation business we have. This equates to more than $600 million dollars in DOD transportation business for our civilian partners in CRAF. Several times each year, we hold executive level meetings with industry to discuss our peacetime transportation needs and to collaborate on defense emergency concepts of operation. Additionally, we participate at every opportunity in the formulation of national transportation policies and decisions that enhance the ability of our air carrier industry to grow and flourish in an international economic environment that is so very competitive.

Senator WARNER. What are your feelings toward commercial leasing of CRAF cargo capability to a third party U.S. private industry?

General JOHNSON. The majority of the cargo capacity in the CRAF program is provided by the air carriers at no cost to the Government. About 20 percent of the CRAF cargo capacity is associated with passenger aircraft that the Government has modified so they can be converted to cargo aircraft in wartime; the cargo-convertible feature was added under the CRAF Enhancement program. The cargo capacity added by the CRAF Enhancement program was developed using public funds and therefore, the U.S. Government should not use these assets in the private sector. To do so will create an economic advantage for one at the expense of others. Current contracts with air carriers prohibit the use, by the private sector, of the Government created features except to support DOD contingency or exercise requirements. We feel this is the correct position for Government to take in its relations with industry.

Senator WARNER. Finally, what are your plans to utilize the recently enacted National Security Sealift Policy to promote "Maritime CRAF"?

General JOHNSON. The National Security Sealift Policy provides a much needed first step to set the stage for developing a robust merchant marine capable of fulfilling both national economic and defense requirements. The policy also promotes national defense features in ships. The United States Transportation Command, along with the Navy and the Maritime Administration, are now providing inputs to the DOD representative to the Policy Coordinating Committee (PCC) on emergency preparedness and mobilization planning. By August or September of this year, specific recommendations are scheduled to be forthcoming from the Secretary of Defense for the PCC addressing expansion of current programs to improve the management of defense features in ships. While a "Maritime CRAF" program is a separate issue, we hope the measures that will be taken will provide a good starting point for national defense.

C-130 MODERNIZATION

Senator WARNER. Although the C-17 incorporates certain tactical capabilities, I am certain that the requirement for low cost (and lower risk) intratheater tactical lift (exists). To this end, what importance do you place on a C-130 follow-on, and what capabilities should be designed into such an aircraft?

General JOHNSON. The need for an intratheater aircraft is an integral part of our overall airlift plan to meet the requirements of the warfighting CINCs. While our existing intratheater fleet is operating well, we are rapidly approaching the point where expensive major modifications and structural renewal are required. Further, the present aircraft place a growing drain on our declining manpower resources.

It is time to place priority on replacing these aging aircraft with a fleet that requires greatly reduced maintenance and operations manpower totals. Modern engines, cockpit designs, and cargo compartments can make these reductions possible while avoiding the cost associated with the up keep of the old aircraft.

Senator WARNER. With the average age of our C-141 force now exceeding 25 years, is a re-wing effort sufficient to modernize these assets?

General JOHNSON. No. A re-wing effort in itself is not sufficient to modernize the C-141 force. The aircraft contains other structural items such as fuselage main frames, landing gear struts, vertical tail, and pressure bulkheads which will need extensive repair or replacement. A modernization program should not be limited to structure alone, we also have to consider the aircraft's systems, as well as engines. Functional and capability upgrades in the aircraft's avionics, communications, instrumentation, and flight control systems are also required. These upgrades will include a new, modernized cockpit displays and mission computer.

Senator WARNER. What un-programmed additional stresses have evolved over the life of the C-141 which affect other than the wing?

General JOHNSON. Additional stresses have evolved due to increased low-level and air refueling missions over the past 5 years. It is difficult to quantify the precise effects of these additional loads on other structures. We have seen the effects of these unprogrammed stresses on the vertical tail section in the form of fatigue cracking in the structure and have imposed a safety inspection prior to a C-141 participating in extensive low-level flying such as Red Flag training operations. In addition, we can probably expect the effects due to these stresses to materialize in the fuselage in the near future.

REACTION REQUIREMENT VERSUS CHANGING THREAT

Senator **Warner**. Given the recent, rapid geopolitical atmosphere in Europe, one might conclude that warning time prior to hostilities has increased. How do you relate these changes to the second half of our overall ability to react: Response time?

General **Johnson**. USTRANSCOM and the services are constantly training, exercising, and testing our ability to rapidly mobilize and deploy forces so when the political decision is made to deploy forces, we can react very quickly.

Somewhere between initial warning and commencement of hostilities, the President must make a decision to deploy forces. Until this decision has been reached, the military can only develop contingency plans. A small operation like Grenada or Panama can be supported with Active duty forces and transportation assets. A NATO or Korean conflict, however, would require mobilization.

Any decision to mobilize and deploy forces will have a significant effect on this Nation's economy. The activation of Guard and Reserve units will drawdown the civilian workforce and the transfer of civil aircraft and ships from commercial operations to military transportation operations will directly impact our economy. The overall expense of mobilizing to a full wartime status is tremendous.

All these factors must be weighed by the President and Congress before making the decision to mobilize and deploy. Although the amount of warning time prior to hostilities may be increasing in Europe, we believe the decision to mobilize and deploy forces will be delayed until the absolute last minute because of the tremendous cost and economic chaos associated with mobilization.

We believe that increased warning time may provide few benefits since the decision to mobilize will most probably be delayed until hostilities are imminent.

WOMEN PILOTS

Senator **Warner**. In December, the Air Force announced that female pilots would now be allowed to pilot C-130 aircraft and participate in parachute operations. What benefit have you seen from this decision?

General **Johnson**. We expect to reap several benefits from this action. The most immediate is the increase in the number of personnel eligible to fly airdrop which in turn eases the scheduling difficulties inherent in having a pool of pilots and only a portion of them can be used for a specific mission. Additionally, we hope with the increased responsibility and new opportunities for career progression, we will see an increase in moral and retention among female crews.

PREPOSITIONED MATERIAL CONFIGURED TO UNIT SETS (POMCUS)

Senator **Warner**. In your prepared statement under the heading "Prepositioning" you indicate that TRANSCOM supports the Army's Prepositioning of Material Configured to Unit Sets (POMCUS). What role does TRANSCOM play in its support of POMCUS?

General **Johnson**. Implementation of our forward defense strategy is dependent on a triad of mobility elements airlift, sealift, and prepositioning. Each element of this triad is an indispensable part of the total mobility equation. If one element is weak, the others must pick up the slack if we are to be able to carry out our strategic goals. All three elements at adequate capacity are required to meet our strategic mobility objectives.

Prepositioning and POMCUS initiatives are service responsibilities in coordination with the geographical CINCs. USTRANSCOM strongly supports these initiatives because they make significant contributions toward reducing mobility requirements, particularly in the early days of a deployment when airlift is the primary mode of deployment. USTRANSCOM assists in this process in two ways. First, we work with the supported CINCs and services in examining the impact that a particular level of prepositioning will have on force closure. Various combinations of airlift, sealift and prepositioning can be evaluated to determine the best mix for a specific scenario of OPLAN. Second, if the decision is to preposition material afloat, then USTRANSCOM, through its MSC component, can determine the best type of ship(s), availability of those assets and the cost.

BASOPS FUNDING

Senator **Warner**. In your prepared statement you indicate "At this time we are basically making emergency repairs only at our installations and will probably have to significantly curtail some soldier and family services before the fiscal year is out." General Galvin made a similar plea for support of his installation maintenance program. How long have you been deferring maintenance of your facilities and do you have any dollar estimates on what the Forces Command shortfall is in BASOPS funding?

General **Burba**. Forces Command has been in a break-and-fix mode of operation and deferring maintenance of its facilities since the beginning of fiscal year 1988. Current funding levels are only sufficient to maintain an acceptable level of training and day-to-day operations with essentially no funds going into any major projects or revitalization efforts. Forces Command has a severe shortfall in funding the maintenance of its facilities. The backlog of maintenance and repair is approximately $400M.

OVERSEAS DEPLOYMENT OF RESERVES

Senator **Warner**. The overseas deployment of National Guard units has been challenged in the courts by various State governors over the past several years. I believe that despite the objections of the governors that the overseas deployment training is an effective training vehicle for our Reserve forces. Would you tell us how critical this program is to the Forces Command and what the benefits of the program are?

General **Burba**. The well-established and highly successful Overseas Deployment Training (ODT) program is critical to Forces Command for three reasons. First, it is one of the most effective means for providing realistic, mission-oriented training for Army National Guard and U.S. Army Reserve soldiers. Second, the OCONUS CINCs have deemed it essential to the sustained readiness of the Total Force as well as the Nation building efforts within their area of responsibility. Third, it is an important incentive for Reserve component service.

The regulatory objectives of the ODT Program are to: strengthen wartime relationships; provide units projected for deployment in support of JCS-approved operations plans the opportunity to conduct mission-oriented training and planning in an overseas theater; and provide CONUS-based units with the opportunity to conduct mobilization, deployment and redeployment activities at OCONUS locations.

The ODT Program allows Reserve component units to validate their mobilization and deployment planning through the actual execution of those plans. It requires them to train in peacetime against their wartime Mission Essential Task List (METL). The METL is a list of activities in which a unit must be proficient in order to accomplish its wartime mission. The ODT Program allows Reserve component units to validate the appropriateness of their METLs and assess their ability to actually perform them in their wartime locations. By deploying to their wartime theater, the units gain familiarity with their future area of operations and with the wartime trace with whom they will fight. Finally, the entire process provides a challenge and adventure for participating Reserve component soldiers. This, in turn, facilitates our recruiting and retention.

In the past 5 years, an average of more that 45,000 Reserve component soldiers have performed ODT in an average of 63 countries.

In a 1988 study by HQDA, Deputy Chief of Staff for Operations and Plans, 14 CINCs and Army component commanders strongly supported the ODT Program. The commanders were unanimous in reporting the following benefits of the program: Reserve component (RC) wartime mission planning and training are conducted in appropriate theaters; unit participation in joint exercises improves the readiness of the Total Force; ODT promotes national political and military strategies and strengthens CAPSTONE relations between Reserve component units and their wartime chains of command; and Reserve component unit readiness is significantly enhanced in the areas of mobilization, reception and employment.

Force Command firmly believes the program objectives are being met and that a robust ODT Program is essential to the continued readiness of the Total Force.

SOLDIER QUALITY

Senator **Warner**. General Burba, as General Johnson has pointed out in his statement, your predecessor, General Powell said during his tour at FORSCOM, "Programs necessary to maintain and support quality soldiers have to remain, above all, our top priority." How do we earmark such programs and what steps are being taken to keep the priorities high?

General **Burba**. As we reduce the size of our force, quality soldiers will continue to be our top priority. The turbulence incidental to force reduction and restationing will discourage some with high abilities and skills who are considering the viability of an Army career. These soldiers will be the most crucial to the future force, yet the most difficult to retain. Retention of these soldiers will focus on four basic areas:

realistic and challenging training, opportunity for and assistance in continuing education, adequate compensation and adequate medical care, housing, and quality of life for the soldiers and their families.

Challenging, progressive, well-planned training with modern equipment continues to be the fundamental key to soldier retention. This is especially true in the Reserve components.

Morale, welfare, and recreation activities should also be funded and supported based upon their merits and the congressional categorization guidance. We are emphasizing to our leaders the importance of balancing programs based upon size and location of installations, the needs and desires of the military community, and the availability of civilian programs and facilities.

We need to maintain the momentum we've created in recent years in pursuit of recruiting and retaining our quality soldiers.

HUMANITARIAN ASSISTANCE

Senator **Warner.** Your command has provided humanitarian assistance, aid and protection in a number of emergencies. One of the most recent examples is the Hurricane Hugo exercise. These efforts and funding can hardly be pre-planned in the budget request. How do you estimate the annual requirements for these actions? How do you identify funds to replace the O&M funds, in excess of the budget, which would have to be spent immediately for the assistance?

General **Burba.** Funds for humanitarian assistance are not included in our budget request.

The Federal Emergency Management Agency (FEMA) assigns a disaster control number to each emergency. When FORSCOM disaster relief assistance is requested, this number is used as authority to incur obligations, using FEMA funds, to provide emergency support. Any costs incurred prior to receipt of the control number are billed to FEMA for reimbursement. Therefore, FORSCOM O&M funds are not used. If assistance is requested with no promise of reimbursement, the supporting installation is required to provide support within their existing resources by deferring future obligations (training, civilian pay, etc.) until a source of funds is identified. All incremental costs are reported through appropriate channels to the Director of the Army Budget for reimbursement. The above outlined procedures were followed during Hurricane Hugo.

OPERATION JUST CAUSE

Senator **Warner.** You cite Operation Just Cause as an example of a successful contingency operation but then state that future contingencies may not be of this same type. Please explain your impressions more thoroughly and share your opinion on the lessons learned from Just Cause.

General **Burba.** As I commented in my prepared statement, I am concerned with our capabilities to respond to a more sophisticated midintensity scenario such as in the Middle East. Such a scenario would require us to travel great distances with a heavy, anti-armor, anti-air capable force. The arms build-up and proliferation of sophisticated weaponry such as missile, tank, tactical air and chemical warfare weapons in many Third-World countries is of great concern. Our ability to rapidly get the requisite force to the objective area to successfully protect our interests and prevent the casualties and risks associated with a long, hard campaign is of equal concern. As we observed in Panama, Honduras, Libya, the Persian Gulf, and Grenada, contingencies requiring the use of U.S. military forces arise quickly, are difficult to forecast, are widely dispersed and call for a variety of force capabilities. In each of these incidents, timely, accurate intelligence and adequate command, control and communications support proved to be of inestimable importance.

While it is difficult to predict a "type" contingency, much less a specific contingency, it is clear that we must structure our forces to present our national decisionmakers a fully capable range of force options. Clearly this calls for strong, ready, flexible forces from each service capable of reacting to meet any contingency across the operational continuum. In the Army's case, it requires a range of capabilities from short-notice light and heavy Active forces to longer-notice mobilized reinforcement.

With respect to Just Cause, I believe that the military validated some specific imperatives that have been addressed in our defense budgets over the past 8 years. At the forefront was readiness. Just Cause was a "come as you are" operation. This operation solidified the importance of quality soldiers, sound warfighting doctrine, proper mix of forces, modernization, realistic training and leader development.

Equally important was the impact of jointness achieved since implementation of the Goldwater-Nichols Act. The simplified chain of command and authorities of the commanders involved were important ingredients to success. The fact that the forces participating from each service were selected because of their unique capabilities is likewise worthy of specific mention.

Other validations include the value of a robust, strategic airlift force, clearly defined objectives, and disciplined, high-quality soldiers, sailors, airmen, and marines.

C-17 PROGRAM

Senator **Warner.** Do you support the C-17 program given the current changes in world order, and what are you reasons for this decision?

General **Burba.** I support the C-17 program because it offers the rapid, flexible response capability we need to meet the three type contingencies we face:

— Short notice operations against relatively light threat (infantry with limited armor support), such as the recent Just Cause operation in Panama.

— Short notice operations against relatively strong armor threats, such as in the Middle East.

— Longer notice forward deployed reinforcing operations against strong armor threats, such as in central Europe.

Looking at the dynamic world situation we face, I see a higher likelihood of U.S. forces being called upon to protect our interests in areas of the world other than Europe. Operation Just Cause in Panama was a classic example of such a contingency. When the execute decision was made, we had to react quickly with decisive combat power in order to accomplish our objectives and minimize loss of life. Airlift provided the only means to accomplish this rapid response. Our current aging airlift fleet cannot long meet our immediate needs. The C-17 breathes life into our capability to accomplish the mission down the road.

Looking at our most serious type contingency (short notice, relatively strong armor threat), we are on the force projection margin and it will erode to a major deficiency within the next 5 years due to our aging, existing airlift assets. Current plans would call for the airlift of a light division far forward in the contingency area to fix or bloc) the enemy force, while heavy forces are deployed rapidly by fast sealift. The C-17 gives us the capability to project the initial force far forward into small, austere airfields. The current airland capability into these small airfields with the current fleet is limited, particularly with outsized equipment. The C-17 was designed for this purpose.

The promise of a new world order, suggesting increased warning time, may be illusionary and must not be confused with increased reaction time. In Central Europe, for example, a mutual drawdown in forces must not lull us into believing tension might never increase. If we were to detect indications the Soviet Union was increasing its force posture, fast lift would be even more critical because of the smaller force in Europe left to hold the line.

We need more airlift to meet potential contingencies, but this additional airlift must have certain characteristics to maximize its operational utility.

Specifically, the theater commanders I support need airlift that:

— Can accommodate the full spectrum of combat and support equipment;

— Can either airland or air drop this equipment:

— Has the agility and ruggedness to allow us the greatest concentration of combat power in the limited airfields available in potential trouble spots; and,

— Has global reach with minimum dependence on en route bases.

Our present airlift fleet does not offer all these capabilities. It does not have enough capacity to more large, outsized equipment. Those aircraft that can move outsized equipment cannot airdrop it nor can they move outsized equipment into small, austere airfields. The C-17 will do all these things, and give us flexibility in the selection of deployment options. It carries twice the load of the C-141 and four times the load of the C-130. It carries "outsized" equipment that cannot fit in the C-141 or C-130; e.g., Abrams Tank, Bradley Fighting Vehicle, and Apache Attack Helicopter. It airdrops or delivers 60,000 pounds of cargo to austere, unimproved airfields. The short field landing and takeoff capability gives the United States the capability for direct delivery to over 6,000 additional airfields worldwide. The proposed future air fleet with the C-17 carries 22 percent more soldiers and 43 percent more cargo than the present fleet. Finally, it provides much faster intra-theater movement of soldiers and cargo (170 knots faster than the C-130, today's primary intratheater airlifter).

LOGISTIC SUPPORT

Senator **Warner**. General Burba and General Johnson, both your commands depend on existing logistics support agencies throughout the world to perform your assigned missions. The CINCs organize and command them. The Congress funds them through the services.

Do you feel the funding is getting through to the right commands and agencies to provide the logistics support you need?

Do you have any recommended changes or comments on the current system and/or funding levels requested?

General **Burba**. In answer to the first part of your question concerning funding for the provision of logistics support, as CINC FORSCOM, I wear three hats and my answer will be in three parts:

a. In regard to the Land Defense of CONUS (LDC), I feel that the funding is correctly channeled. Upon execution, LDC forces will be supported through existing CONUS installations with backup wholesale support from the services and DOD logistics agencies. Support that exceeds the capability of the available forces, primarily in the services and construction areas, can be supported through contracting to local civilian firms. The Directorate of Contracting at our installations is fully operational and capable of providing this required contract support.

b. As the Army component of United States Atlantic Command (LANTCOM), FORSCOM is responsible for the sustainment of Army forces provided the Atlantic theater. In this role, I would have to answer with a qualified "yes." FORSCOM has the responsibility for supplying accompanying supplies, less large caliber ammunition. Large caliber ammunition would be provided from existing stocks by the Army Materiel Command (AMC). LANTCOM's sustainment supplies are at a low level due to limited dollars and their priority relative to the Army's overall warfighting responsibilities. Shortages in war reserve stocks would have to be reallocated from uncommitted CINCs to CINCLANT as circumstances dictate.

c. FORSCOM also has the mission of providing forces to other warfighting CINCs. In this capacity, I feel that logistics funding is correctly channeled. Again, our responsibility is to deploy the forces with their accompanying supplies, less large caliber ammunition. The wholesale system will provide this commodity at the Sea Port of Embarkation or Sea Port of Debarkation. The follow-on sustainment supplies for the warfighting CINCs are provided through war reserves and/or the wholesale system. As each of these CINCs has different missions, capabilities and limitations, they can provide you a more factual assessment than I.

Concerning your second question, recommending changes to the current funding system: I feel that the changes specified in the Goldwater-Nichols Act are correct. No changes need to be initiated until this system has had more time to mature.

General **Johnson**. Yes, within the Department of Defense, logistics support funding has been met. The Maritime Administration needs the essential and full support of the Congress. What MARAD is or is not capable of doing directly influences USTRANSCOM's ability, through our sealift component, the Military Sealift Command (MSC). Working relationships have been well formed. Although MARAD is a part of the Department of Transportation, national defense concerns are a high priority with Department of Transportation Secretary Skinner and the Maritime Administrator, Captain Warren Leback. Funding for their priorities in the Ready Reserve Force (RRF) and the rest of the National Defense Reserve Fleet (NDRF) was not supported by Congress due to competing domestic and other transportation funds. Fiscal year 1990 budget cuts were over $130M and more than half of the $239M proposed. In the long-term program of reaching the Fiscal year 1994 goal of 142 ships in the RRF, these cuts place an unconscionable burden on those charged with ensuring a credible defense, deterrent capability, and the ability to deploy and sustain military forces in a forward defense strategy.

Questions Submitted by Senator Strom Thurmond

FUNDING LEVELS

Senator **Thurmond**. Do you have any recommended changes or comments on the current system and/or funding levels requested?

General **Johnson**. Secretary Cheney and Secretary Skinner have agreed that the budget source for the RRF/NDRF will come out of a defense-related line item within the Department of Transportation budget proposal. Full support from Congress is vital to ensure that these funds are not whittled away for topical issues of the moment. Initially, the long-term investment in strategic sealift was instituted by the Navy which has the service mission of strategic sealift. Today, the complement of supporting the Navy's mission exists in the USTRANSCOM role of advocacy for strategic mobility in the national defense. Funding levels must be sustained to meet the already planned program growth and every effort in funding should be made on the national level to ensure adequate strategic sealift assets are available to meet our national commitments.

TRAINING DETRACTORS

Senator THURMOND. General Burba, Reserve component units are expected to maintain their readiness in less than 20 percent of the time that is available to Active component units. At the same time according to the report of the Chairman of the Reserve Forces policy board: "The most significant training detractor for Reserve component personnel is time available to train."

My question to you is how can the Army make more training time available to reservists without increasing the number of training days, the number of which is already causing the reserve soldier considerable pressure from employers and families?

General BURBA. The solution to limited training time for Reserve component (RC) units is to find innovative ways to make best use of the time available. The most significant innovation has been the evolution of the Army CAPSTONE program which best aligns units to support major wartime contingencies. CAPSTONE commanders are charged with providing subordinate units mission guidance. The RC unit commander uses this guidance to develop a mission essential task list (METL) which tailors his training to his anticipated wartime employment. This tailoring is amplified in current training policy which requires that RC units train mission essential tasks, thereby substantially reducing the number of events required for training.

The Reserve component Training Development Action Plan (TDAP) outlines needed actions designed to improve RC unit readiness many of which will result in more efficient use of time. The Officer's Education System (OES), as an example, has been completely restructured for the RC with critical courseware added which wall require the RC officers to spend less time in formal schooling. The Full-Time Unit Support (FTUS) program is another (TDAP) action which is designed to provide an adequate base of full-time personnel in RC units so that the unit is free of administrative burden and can concentrate on wartime mission-oriented training.

An obvious key to overcoming the time constraint is automation. The Reserve Component Automation System (RCAS) is a long overdue means for simplifying RC administration and saving time. An important element in the move toward automation will be the ability for higher RC headquarters to pull data elements from an established data base, thereby reducing the RC unit involvement to a minimum.

In addition, FORSCOM is a key participant on a Department of the Army task force on reducing detractors to RC training. In this area we have already met with some success, and recommendations to the Chief of Staff, Army resulted in the first of a series of actions which streamlined functions and reduce administrative burdens associated with periodic inventories, physical requirements for schooling, and inspections. The net planned action will minimize requirements for briefings at unit level.

Finally, we have chartered two task forces within the FORSCOM staff, one to reduce administrative burdens in units, and the other to reduce or eliminate turbulence in units. Actions taken to date will enable more time at unit level to be spent on direct training for the wartime mission.

NATIONAL GUARD

Senator THURMOND. General Burba, I understand that the Army will be deactivating the 4th Army later this year and there is some talk that the anticipated force reductions will require eliminating other Continental Armies.

Since the Continental Armies provide training assistance to National Guard Units in their geographical area of responsibility, what arrangements will be made to ensure continued training assistance to the Guard units?

General BURBA. Headquarters, Department of the Army has tasked Forces Command to recommend a realignment of Continental U.S. Armies (CONUSA) boundaries following inactivation of Fourth Army. Forces Command is currently developing recommendations for revised boundaries.

CONUSA ensure standards, evaluate training and assist in coordinating Active component support for Inactive Duty Training (weekend) and Annual Training (2 weeks yearly) of Reserve component units located in their geographical areas of responsibility.

Within the CONUSA, the Readiness Groups are the primary action agencies for execution of the assistance effort to Reserve component units. There are 30 Readiness Groups in the force, strategically placed to render the most effective and efficient advice and assistance to over 7,000 Reserve component units. All but one of the Readiness Groups is under Forces Command and subordinate to the CONUSA. The exception is under U.S. Army Western Command in the Pacific. Readiness Groups provide advice and branch, functional, and special training assistance to Reserve component commands and units in their geographical areas of responsibility to attain and sustain individual and unit readiness. The organization and structure of each Readiness Group varies, dependent upon the number and type of Reserve component units supported. While the number of CONUSA will be decreased, the number of Readiness Groups will remain unchanged. When Fourth Army is inactivated, the Readiness Groups now subordinate to that CONUSA will be realigned under the CONUSA assuming responsibility for that geographical area. We will continue current levels of support and assistance to the National Guard and U.S. Army Reserve units. I am determined that the realignment of boundaries take place in a manner which does not degrade the level of Active Army support to the National Guard, and of course the Army Reserve.

CHANGES

Senator **Thurmond**. General Burba, Forces Command has the mission of providing our national leaders with a strategic force of Army units that are ready to fight in all corners of the globe. Considering the changing military and political climate in Europe, what changes do you expect to make in the structure and training of the forces under your command?

General **Burba**. Forces Command has been working closely with Department of the Army and supported CINCs to meet programmed budgetary limitations and strategic requirements for FORSCOM in the future. The fiscal year 1990 budget and fiscal year 1991 Presidential Budget Submission represent a prudent, deliberate downsizing of the Army's and FORSCOM's structure. The end-state of these changes will occur in the mid nineties and reflects a strategic land force with enhanced global flexibility and a balanced mix of fully manned and ready divisions capable of tailoring rapidly deployable forces to meet any contingency across the operational continuum. Specific changes are included in the fiscal year 1992-1997 Army Program Objective Memorandum (POM) to be submitted to the Secretary of Defense in April 1990.

The fundamental mission of projecting highly ready, lethal strategic land forces worldwide will remain the cornerstone of FORSCOM's purpose. The preeminence accorded this mission will be magnified as forward deployed force levels are reduced. FORSCOM has been and will continue to be structured as a Total Army — Active component, Army Reserve, and Army National Guard; a balanced force both by component and type of unit—heavy, light, and special operations, forces. The exact mix and size must be guided by the emerging strategic environment and budgetary constraints. These forces must be equally capable of projecting deterrent or fighting elements on short notice anywhere in the world against a lightly armed threat or against a more sophisticated, heavily armed force such as exists in the Middle East. Additionally, we must maintain a Ready Reserve capable of reinforcing and sustaining our remaining forward deployed forces. Our emphasis is focused on balanced contingency and rapid reinforcing forces with a capability for quick mobilization. This provides us the sustaining, expansion capable base required for longer term warfighting campaigns.

The specifics of each of these portions of the Total Army are being worked now. The Army will be a smaller force, but it will remain a high quality force. Such a structure necessitates better deployability and higher readiness. These directly equate to improved training. Tough, realistic training will remain the sine qua non of this smaller but high quality force. It is the fundamental key to a credible deterrence and capable defense as we downsize. Individual and collective training at battalion and below at high operating tempo will remain FORSCOM's priority. FORSCOM plans to retain the extremely challenging training provided by the National Training Center, Joint Readiness Training Center and the Battle Command Training Program as the centerpiece of a vigorous, tough, and realistic training program which will increasingly reflect the diverse missions likely to be encountered around the world. Mission essential task lists will place added emphasis on combined training with our allies, joint training with our sister services, combined arms training with our sister branches and light-heavy operations that allow highly deployable light force covering force operations being handed off to mechanized and armored forces for major defensive and counter-offensive missions. Meeting engagements, hasty attacks, defenses and other highly fluid, maneuver oriented operations in-depth will be the norm. The vast majority of the tasks will be applicable to all spectrums of warfare and most geographic regions of the world.

ROLE OF TRANSCOM

Senator THURMOND. General Johnson, I do not believe I am out of step when I say that our Nation's merchant fleet is declining—a trend which must be reversed if we are to continue being a world economic power. Since your command relies on the merchant fleet to meet the Armed Forces peacetime and wartime transportation needs, do you have any suggestions on what steps we should take to reverse the decline in our merchant fleet?

General JOHNSON. The decline in our merchant marine is a problem of national proportion requiring a national focus. The first step taken to provide a national focus was the signing of the National Security Sealift policy by the President on October 5, 1989. However, many more steps are now in order. We are at a unique juncture to take advantage of an improved coalition between the maritime industry and Government as well as within the maritime industries to ensure our national security requirements for both defense and economic well-being are met. The national focus must now lead to further steps to revitalize the maritime industry through changes in liner route regulations, operating differential subsidy reform and the commitment on a national level to providing the nation with a robust, healthy merchant marine that can truly fulfill the Nation's security needs. Without such a commitment, I believe other alternatives to ensure an adequate national strategic sealift capability will surely be more costly over the long-term. I will continue to do all I can to bring attention to this issue.

FAST SEALIFT

Senator THURMOND. During the past several years there has been a great deal of congressional interest in fast sealift. Some define fast sealift as a ship that can sustain a speed of 30 knots, others see it as a surface effect ship. Would you give us your definition of fast sealift and tell us how critical fast sealift is in our contingency planning?

General JOHNSON. You are correct that the term "fast sealift" applies to many varieties of ships from the surface effect air cushion vehicle to the large capacity strategic sealift ships capable of high speeds for sustained periods of time. USTRANSCOM uses the term fast sealift when referring to the eight fast sealift ships that we currently have which are capable of sustaining 30 knots speed.

Ships such as these are critical to contingency planning and have proved themselves essential where sealift is required in fulfilling lift requirements in crisis. One example was the use of fast sealift ships during the operation NIMROD DANCER in May 1989, where these ships transported a mechanized battalion to Panama. In the future, a fast sealift ship should offer a balance in that it would be militarily and commercially useful. This kind of ship would be capable of sustaining 25 knots for contingencies, yet operate efficiently at 22 knots for commercial operations. A ship with this kind of capability would reasonably reduce the delivery time and ensure the needs of the warfighting CINCs are fulfilled.

AIR RESERVES

Senator THURMOND. General Johnson, the Air Guard and Air Reserves make up a significant portion of our nation's airlift crews and aircraft. If my numbers are correct, I believe slightly less than one third of the military personnel assigned to the Military Airlift Command are comprised of reservists.

Considering the already large number of reservists allocated to the airlift role, do you envision the Reserves picking up any additional requirements as our Active forces draw down?

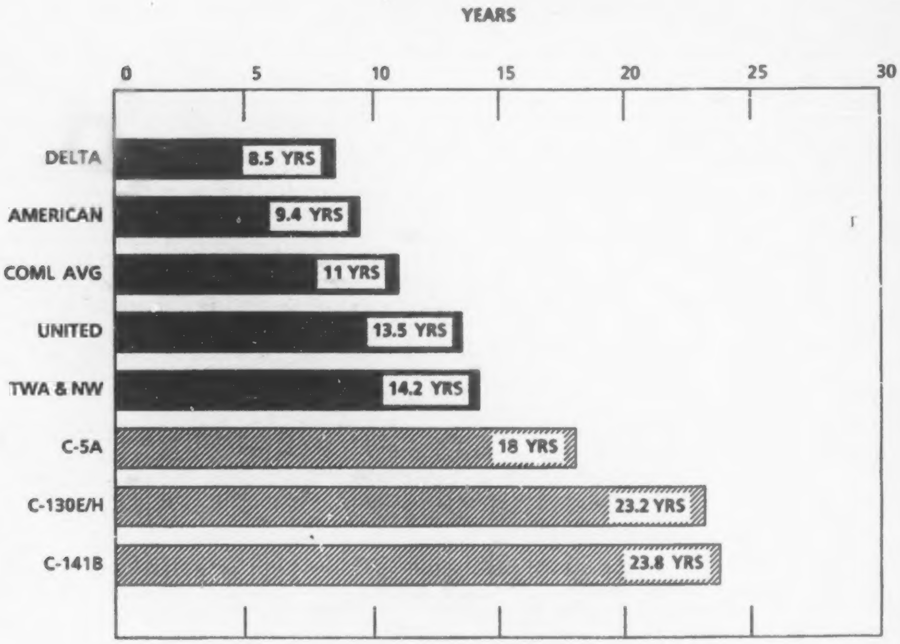
General JOHNSON. The Air Force Reserves comprises 29.3 percent; the Air National Guard comprises 15.2 percent and the Active duty makes up the remaining 55.5 percent of the total. In the Military Airlift Command in particular, the Air Force Reserves comprises approximately 28 percent; the Air National Guard comprises 16 percent and the Active duty makes up the remaining 56 percent of the total.

We do not see an immediate need for the Reserves to pick up additional requirements. The force mix ratios in place now allow for sufficient training cockpit seats and surge capability if needed for a contingency. However, we continually review our commitments to ensure the Active/ARC ratios are consistent with the needs of the Nation and we will adjust as necessary.

AIRCRAFT AGE

Senator **Thurmond**. General Johnson, please provide a chart detailing the age of the C-141 fleet compared to the commercial airline fleet.

General **Johnson**. Here is the chart you requested.



AVERAGE FLEET AGE

Questions Submitted by Senator John McCain

CAPABILITY AND PREPAREDNESS

Senator **McCain**. (1) How do you assess the imbalances in capability between the readiness of your command in terms of manpower, sustainability, equipment, modernization, and lift? Please describe your methodology in depth.

(2) What are your current major shortfalls in manpower, sustainability, equipment strength, modernization, and lift? Please itemize these shortcomings and indicate whether the funding levels in the current fiscal year 1991 budget and the current FYDP will increase or correct these shortcomings.

(4) You refer on page nine of your statement to the "hollow experience of the 1970's." Does this mean that all problems were corrected during the 1980s and have remained corrected in spite of 6 years of cuts in real defense spending? If not, provide a detailed summary of the current problems affecting the forces under your command.

General **Burba**. Forces Command forces are prepared for the missions which they have been assigned. Their capability is assessed as part of the uniform system of preparedness required by Goldwater-Nichols, and reported to the Chairman, Joint Chiefs of Staff, and other combatant commanders. The method used goes beyond a simple look at individual units. It combines statistical information from a variety of sources, such as the Status of Resources and Training System (SORTS), and resource management systems like the Army Equipment Distribution Program and Department of Army's Minimum Acceptable Levels of Fill, with the professional knowledge of my senior subordinate commanders and staff to develop an appreciation of whether task-organized forces can accomplish their actual missions. This requires analyses of both functional shortfalls and systems to correct them. Focus is on meeting the fighting CINCs' requirements with capable forces in the time available. Lift schedules are important in determining how fast we must complete final deployment preparations. Our planning to move six divisions to Europe in 10 days to meet NATO commitments is a good example of the imbalance between Army force readiness and lift capability. It is the result of a "worst case" warning scenario written into operations plans which tend to exaggerate the strategic lift imbalance. Taken as originally planned with full equipment sets prepositioned in Europe along with basic loads of ammunition and other supplies, it is doable. Conversely, increasing the load requirement by planning to move large quantities of equipment and supplies to make up for shortages in prepositioning overloads existing lift. There is no question that the United States needs more lift assets. Manpower shortcomings include shortages of specially skilled personnel—doctors, nurses, linguists. Filling these shortages requires people programs which compete with civilian industry to attract and retain quality soldiers.

Stocks of sustainability equipment and supplies, such as ammunition and combat rations, have made little improvement in previous fiscally constrained budgets. Shortfalls in medical, command and control, air defense and combat service support equipment are being addressed through modernization programs. New communications gear, more efficient material handling equipment, and state-of-the-art patient support items require fewer support soldiers, increasing the tooth-to-tail ratio. These represent risks we have been working on, some all the way back into the "hollow" seventies. While we had not corrected all the "hollowness" of the preceding decade, we were on the right track until defense budgets began to decline. Real cuts in military budgets over the past few years have slowed modernization, reduced critical personnel and training programs, and diverted soldiers from their primary tasks to support base operations and quality of life programs. Although the actual 1991 budget figures are not yet available, it looks as though the negative trends will continue, slowing corrections to these shortcomings and prolonging our risk and vulnerability. Reductions in military and civilian manpower continue to erode support provided to go-to-war soldiers and their families.

In Forces Command, we have lost 4,600 civilian slots since 1988. Cuts in 1991 continue this trend, by reducing another 1,200 civilians. These cuts do not include any resulting from additional force structure reductions. The bottom line is that further cuts will seriously degrade the training, maintenance and family support a combat ready force requires.

NATO COMMITMENT

Senator McCain. The United States has a commitment to provide NATO with a balanced force of 10 full division slices in 10 days. Please indicate which combat, support, and logistics units now have the readiness, sustainability, and lift to fully meet this commitment. Please indicate the units that do not down to battalion level and summarize the shortcomings that prevent these units from being able to meet this commitment.

General Burba. The 10 divisions promised to NATO include both forward-deployed and CONUS-based forces. I will discuss the CONUS-based increment that Forces Command supplies—six Army divisions, and the associated Active, Guard and Reserve augmentation units ranging from battalion to detachment sized units. The forces which make up this essential force undergo regular, close scrutiny to ensure that the United States can meet its NATO commitment.

All six FORSCOM divisions and the majority of the augmentation units are designated to deploy and to fall in on POMCUS (Prepositioned Overseas Materiel Configured to Unit Sets) equipment stored in western Europe. The divisions are ready to go, but today all must carry more equipment than planned due to shortages in POMCUS. This requires more lift than is available within the time allowed by our NATO commitment. The augmentation units have a similar problem with POMCUS shortages.

Our NATO augmentation forces are maintained at higher readiness levels and are better prepared than later deploying forces. They are also among the first in Forces Command to be modernized. Due to reporting criteria, this sometimes causes them to appear less ready than desired for short periods while they transition to better equipment. Some examples of seemingly less ready forces in our NATO commitment follow with explanations. First are the hospitals which will support the deployed force: 44 are being converted to the Deployable Medical System (DEPMEDS) configuration and have degraded deployability during this transitional period. Although this temporary condition represents a risk, units come out of modernization or upgrade more capable than they were before. Second, many of the nondivisional field artillery battalions were not deployable last year while they underwent conversion to the 3x8 (three batteries with eight artillery pieces each) configuration which improved their flexibility in fire support while increasing their firepower by the equivalent of an extra battery each.

Now only one battalion does not meet deployability criteria. In addition, nondivisional Military Intelligence Battalions are also being modernized, with most reported as temporarily not deployable. One Air Defense battalion is also being converted to the Patriot because it was not sustainable with the Roland system. It will become deployable when it completes new equipment training.

With the ongoing changes in the Warsaw Pact and eastern Europe, the NATO commitment itself is likely to change. FORSCOM must be prepared to play a greater role in preparing the force needed to defend U.S. and NATO interests, and needs your help to resource fully the smaller Active and Reserve force of the future. The issue concerning lift has been discussed in some detail in the responses to earlier questions.

STRATEGIC LIFT DEFICIENCIES

Senator McCain. You refer to the need for strategic lift on page 13. Does this mean that current force plans would provide you with all the airlift and sealift you need? If not, please provide a list of the current deficiencies in airlift and sealift, and indicate the extent to which these deficiencies will grow or be reduced under the fiscal year 1991 budget and current FYDP?

General Burba. The following three type contingencies require air and sea lift capability:

— Short or no notice operations against relatively light threats (infantry with modest armor support) such as the recent Just Cause operation in Panama.

— Short notice operations against relatively strong armor threats such as a contingency in the Middle East.

— Longer notice forward deployed reinforcing operations against very strong armor threats such as a contingency in central Europe against the Soviet Union.

Although existing airlift platforms are aging fast and must be replaced, we are currently in a reasonably sound air/sealift posture to respond to short notice, light threat contingencies. However, we are on the margin in responding to short notice heavy threat contingencies, a margin that will probably evolve into a major deficiency in the next 5 years if sea/airlift capabilities do not improve substantially. If tasked today, we would respond to a Middle East contingency by airlifting several light divisions (air deployment) into mountain passes, ridge lines, and deep wadi (gully) systems where they would tenuously hang on until we could deploy a heavy division on available fast sealift. Further follow on forces (heavy divisions) and sustaining logistics support would follow on regular sealift as it became available.

we are concerned about the heavy contingency sealift capability because our allies' small but high quality armies are put at further risk each year because their potential adversaries' larger armies are inexorably increasing in quality. After CFE, Soviet tanks may also migrate to those armies and substantially increase the risk even further.

The United States is increasingly dependent on foreign oil as are most of the other world powers and developing nations. Most of that oil resides in the Middle East nations where major unrest associated with the contradictions between political boundaries and ethnic and religious realities still persist. Accordingly, we could conclude that within 5 years that part of the world will become even more important to the United States and our allies. There also will be a higher likelihood of a major military conflict there. The correlation of forces could require the air deployment of two light divisions followed by the commitment by sea of four heavy divisions (2⅓ immediately reinforced by the others later). Without execution of the air/sealift provisions of the President's Five Year Program coupled with policies leading to a revitalized domestic maritime industry, our sealift requirements will be lacking.

The immediate air/sealift requirements associated with a longer notice forward deployed reinforcing contingency should be partially solved if we develop a solution to the short notice heavy threat requirements (i.e., Middle East). Follow-on sealift requirements would be significantly higher especially in theaters without substantial prepositioned equipment. Therefore, the new policies associated with the maritime industry revitalization would have to be sufficiently robust to generate sealift for up to 5 divisions in 10 days and another seven within 80 days. Backing off the forward deployed concept clearly increases the demands on air and sealift. All these type contingencies place heavy demands on the immediate airlift of light forces. The C-17 aircraft provisions embraced in the President's budget are critically required. The current airfleet must be replaced due to obsolescence. The C-17's larger volume, outsized equipment capability, longer legs and short field landing and take off characteristics are critically important now and will grow in importance in the future.

SEALIFT

Senator McCAIN. Please provide a detailed assessment of the extent to which sealift could substitute for all or part of the procurement of the C-17 and how changing intelligence assessments of warning affect this situation:

General BURBA. After careful consideration, I find it hard to visualize any contingency type scenario where sealift could substitute for all or part of the C-17 procurement program. The United States needs the capability to rapidly respond militarily around the world to protect our interests. The United States' ability to project combat power to diffuse potential crises Is dependent upon a mobility triad consisting of sealift, airlift and prepositioning. We cannot afford to neglect any leg of the triad. We need all three to provide the force projection necessary to demonstrate our national resolve and fight and win if necessary.

Airlift provides quick, decisive response in the initial phases of a crisis. Sealift is needed to move the large tonnages of follow-on heavy equipment and sustaining supplies. Prepositioning selected quantities of supporting supplies and equipment provides us the capability to quickly support contingency actions to key theaters of operation.

Air and sealift capability for U.S. force projection is required for three basic type contingencies, each predicated upon a warning time envelope.

In a short notice operation against a relatively light threat infantry with modest armor) and little to no warning time similar to the Just Cause operation, the C-17 would be used virtually exclusively for force projection. Sealift could not deliver the force in the timeframe and with the surprise required.

In short notice operations against a relatively strong armor threat, such as a contingency in the Middle East, we would also need the capabilities of the C-17 to allow us to insert our light divisions quickly to provide a blocking force until follow-on fast sealift, such as our eight fast sealift ships lifting a full-up armor division, could be closed to the theater.

The C-17 aircraft and the fast sealift ship programs are complementary and provide the best response to our military needs for strategic lift. If the balance in the airlift and sealift programs are not maintained, we impair our ability to project our combat power in a timely, efficient fashion. Today's dynamics require both rapid response by airlift and heavy lift by fast sealift ships.

Our strategic lift requirement can be met with the execution of the air/sealift provisions of the President's Five Year Program, coupled with policies leading to a revitalized domestic maritime industry.

BALANCED STRATEGIC RESIDUAL FORCE

Senator McCAIN. You refer to a balanced strategic residual force in several places in your statement. You do not describe the size of the force required, how you assess that requirement, and the extent to which that requirement is changing to respond to changes in the Soviet and Warsaw Pact threat. Please provide a detailed description in each area.

General BURBA. The threat posed by Soviet and non-Soviet Warsaw Pact conventional forces in eastern Europe is changing; reducing in size and, perhaps also, in political objectives. It is important to note that it is also improving in quality as its size is reduced.

Rapid strategic changes on our part, while seemingly attractive on the surface, can easily create instability and cause uncertainty in our allies', friends', and potential adversaries' minds around the world. Obviously, we must make adjustments to the real changes in threats to our national security. However, we should be very circumspect and cautious to changes that do not accommodate strategic flexibility and freedom of action. In the near term, the fiscal year 1991 budget submission begins deliberate, substantive reductions to our defense posture and represents a substantial reduction of our programs submitted just 1 year ago. It is an efficient, sensible, and secure first step in crafting the defense structure we require given contemporary circumstances.

The 1990 and 1991 budgets are the first steps for the Army leading to an end-state in the mid-1990s, in which our Active force structure and overseas presence (given the completion of appropriate international agreements) are substantially reduced. Our Reserve component forces are also reduced while upgraded in warfighting capability. A greater emphasis will be placed on the global contingency capabilities of a more "U.S.-based" force. The net effect is a smaller Army in a high state of readiness with the capability to accomplish diverse missions around the world. It will remain a Total Army with a balanced force both by component and type unit—heavy, light and special operations. This force must be capable of protecting the national Interests in a no-notice light threat environment such as existed in Panama and Grenada and, importantly, it also must possess the mobile, firepower intensive heavy forces required to defuse a crisis in a more sophisticated, mid-intensity environment such as exists today in the Middle East. Not to be neglected is the remaining requirement for a credible deterrent against global war with the Soviet Union. Regardless of political and military changes, the Soviets retain a significant size advantage and are rapidly approaching parity in the quality of their weaponry. They will remain a military superpower and we must preserve the capability to defuse a U.S.-Soviet confrontation and prevent it from escalating.

Active force reductions, will reduce both combat and support forces at home and abroad. The Active force reductions will be taken from forward deployed elements consistent with the terms of the Conventional Forces in Europe (CFE) Treaty negotiations presently in progress. Reserve force reductions will also be taken in combat and support forces in consonance with the changing warfighting requirements.

CHRONOLOGY OF REQUIREMENTS

Senator McCain. Please provide a quantified chronology of how your requirements for strategic air and sealift have changed since fiscal year 1985, and of the extent to which these requirements have been met in each fiscal year. Please describe the methodology used to set your lift requirements in ton-miles per day.

General Johnson. Strategic lift requirements are generated by the theater CINCs. Their requirements are based on the availability of forces and the threat. The theater CINCs requirements have not changed significantly since fiscal year 1985 since the services force structure and the threat have not changed. During this period, most theater CINC war plans have been constrained by the availability of strategic airlift and sealift. Planned deliveries, in many cases, were after CINC required delivery dates due to strategic lift limitations.

USTRANSCOM describes lift requirements in million ton miles per day (MTM/D) for airlift and in short tons (ST) for sealift. MTM/D is a measure of airlift based on the number of aircraft, average payload, average hours flown by each aircraft each day, average speed and a productivity factor accounts for positioning and repositioning legs.

MTM/D required is a measure of the amount of cargo to be, delivered on any given day times the distance (from on-load to off-load) the aircraft must travel. The MTM/D required for an OPLAN is an average of these daily requirements over a given time frame determined by the required force closure. The longer the delivery distance, the greater the number of aircraft required to deliver the cargo within the delivery window.

SHORTFALLS OF STRATEGIC AIR AND SEALIFT

Senator McCain. What are the specific shortfalls in strategic air and sealift that will exist given the funding levels in the fiscal year 1991 budget? To what extent will the current FYDP correct these shortfalls and what would it cost to fully correct these shortfalls by fiscal year 1995?

General Johnson. We now are at 73 percent of the long-term goal for strategic airlift, and are projected to improve to 77 percent by the end of the FYDP period. The total shortfall cannot be fully corrected by fiscal year 1995. Our plan is to achieve 100 percent by fiscal year 2001, and this is projected to cost $34 billion for procurement between fiscal year 1991 and fiscal year 1999. Due to the recent changes in the world political arena, a DOD and DOT study group is in the process of reassessing military sealift requirements. USTRANSCOM maintains that the only viable cost effective means to provide enough sealift for all contingencies is through a healthy U.S. merchant marine industry.

AIRLIFT TO SEALIFT TRADE-OFFS

Senator McCAIN. How do you determine the trade-offs between sealift and airlift? Why is priority currently being given to funding airlift?

General JOHNSON. The theater CINC's requirements determine the mode of transportation needed to deliver deploying units. Early deploying units go by air to ensure fast delivery. Rapid deployment of these forces help contain the threat before it expands into a larger confrontation or provide an element of surprise. In a protracted contingency, subsequent wartime material to maintain our fighting forces would be delivered by sealift. There is a need for both the airlift and sealift capability, one cannot supplant the other.

Priority has been given to funding airlift because of the need to increase our airlift capability and to modernize the airlift fleet. We also need to increase our sealift capability which should be accomplished by increasing our Nation's commercial sealift capacity.

CHANGES IN SEALIFT REQUIREMENTS

Senator McCAIN. What changes in sealift requirements and capabilities would we need to substitute for part or all of the current C-17 procurement?

General JOHNSON. We cannot feasibly substitute the capabilities of airlift with sealift due to their inherent differences. Airlift provides a rapid and flexible response where sealift provides the long-term sustainment required for a protracted contingency.

In airlift we have the capability to immediately demonstrate national resolve in a growing crisis. Airlift also provides the capability to rapidly counter an adversary's tactical moves or to surprise an opponent's military force as was done in operation Just Cause. We need both airlift and sealift to provide the mobility capability for the defensive needs of this Nation.

WARNING TIME

Senator McCAIN. How many days of warning would be necessary to allow increased tradeoffs between sealift and airlift? Specifically, how many additional days of warning are needed to allow fast sealift to substitute for the current lift requirements of the C-5 and C-141 in a European scenario?

General JOHNSON. An increase in warning time does not necessarily translate into increased reaction time. Somewhere between initial warning and commencement of hostilities, the President must make a decision to deploy forces. Until this decision has been reached, the military can only develop contingency plans. A NATO conflict would require full mobilization.

Any decision to mobilize and deploy forces will have a significant effect on this Nation's economy. The activation of Guard and Reserve units will draw down the civilian work force and the transfer of civil aircraft and ships from commercial operations to military transportation operations will directly impact our economy. The overall expense of mobilizing to a full wartime status is tremendous.

All these factors must be weighed by the President and Congress before making the decision to mobilize and deploy although the amount of warning time prior to hostilities may be increasing in Europe, we believe the decision to mobilize and deploy forces will be delayed until the absolute last minute because of the tremendous cost and economic chaos associated with mobilization. We believe that increased warning time may provide few benefits since the decision to mobilize will most probably be delayed until hostilities are imminent.

NATIONAL SECURITY SEALIFT POLICY ACTIONS

Senator McCAIN. Please provide a detailed and comprehensive list of all tangible actions you plan to take under the National Security Sealift Policy. Please provide a detailed list of all new actions that have been proposed for funding in fiscal year 1991 and the current FYDP as a result of this policy.

General JOHNSON. The list of detailed and comprehensive actions that are planned for the National Security Sealift Policy are currently under discussion with Craig Alderman, Jr., Deputy Under Secretary of Defense for Policy and the DOD representative to the Policy Coordinating Committee for Emergency Planning and Mobilization Readiness. These items include a re-examination of manning requirements for the RRF and NDRF; readiness of the Reserve fleet; operating differential subsidy reform; and additional sealift commitment from allies. Actions for funding for the fiscal year 1991 budget and current FYDP have as of this date not been decided for these items.

CUTS IN THE FISCAL YEAR 1990 BUDGET

Senator McCain. Please provide a detailed description of the contingencies under which the recent cuts in the fiscal year 1990 RRF budget would affect U.S. military capabilities.

General Johnson. The fiscal year 1990 budget cuts for the RRF adversely affect any contingency for which the RRF could be used. The overall maintenance readiness of this force is adversely affected by a degree that can only really be determined when ships are activated. Furthermore, budget cuts eliminate planned conversions and acquisitions to meet military requirements. Contingencies could range from a crisis requiring activation of a few specialized ships for remote area operations supporting Joint Logistics Over-The-Shore (JLOTS) to contingencies requiring activation of most or all of the RRF to support the deployment and sustainment of a large-scale military force over a great distance to any part of the world. The maintenance of the RRF is crucial in the current situation with the decline of the U.S. flag merchant marine. The capability provided currently in the RRF only partially offsets the decline in our merchant marine. The long-term solution rests in achieving a healthy merchant marine capable of fulfilling our military requirements and national economic needs.

C-17 DELAYS

Senator McCain. You do not describe any of the delays, technical problems, and cost issues affecting procurement of the C-17. Please provide a detailed chronology of all such problems in the programs history, and your assessment of the extent to which this aircraft program is now on track.

General Johnson. The System Program Office (SPO) is responsible for all cost issues, technical problems, and overall program delays. As the program experts, they are best qualified to address the technical aspects of the C-17 program. We have asked them to provide the requested information to your committee.

USE OF THE C-17

Senator McCain. Have any aspects of your plans to use the C-17 in forward areas and unimproved or limited capacity runways changed? Will the C-17 meet all its original requirements? Is it clear that no follow on aircraft will be needed for intratheater lift missions that originally were supposed to be performed by the C-17?

General Johnson. The concept of operations for forward area employment of the C-17 remains unchanged. The C-17 is currently capable of performing all the theater lift missions as originally intended. Additionally, it provides the theater outsize cargo capability that does not exist today. The C-17 will meet its share of the theater airlift requirement. However, the C-17 was never envisioned to satisfy our theater shortfall but rather compliment our existing forces. At some future date we must field additional aircraft if this Nation intends to meet its theater airlift requirements.

POMCUS SHORTFALLS

Senator McCain. Please provide a detailed list of the current shortfalls in prepositioning and POMCUS. To what extent do these shortfalls now prevent us from meeting our commitments to NATO? To what extent do they increase the need for strategic lift?

General Johnson. Implementation of our forward defense strategy is dependent on a triad of mobility elements airlift, sealift, and prepositioning. Each element of this triad is an indispensable part of the total mobility equation. If one element is weak, the others must pick up the slack if we are to be able to carry out our strategic goals. All three elements at adequate capacity are required to meet our strategic mobility objectives.

POMCUS and other prepositioning initiatives are the responsibility of the individual services in coordination with the geographical CINCs. USTRANSCOM is very interested and concerned about these programs because of their impact on strategic lift requirements, therefore we maintain visibility of their status, but only in a macro sense. Data on specific line item shortfalls is not maintained by USTRANSCOM.

[Deleted.]

Because much of the equipment in POMCUS is heavy or outsized cargo, it would have to be deployed by sea if it were not prepositioned. Although mobility studies and expert opinion vary substantially on the actual sealift requirement, and on our capability to fulfill that requirement, the consensus invariably points to one conclusion—our commercial maritime fleet and its supporting industrial base are disappearing. The most well received study in this area is the Congressionally Mandated Mobility Study (CMMS). This study was the first to determine that more fast sealift is needed to complement the Nation's airlift capabilities. It stated that a mechanized Army division requires more that 100,000 tons of cargo for deployment and over 1,000 tons per day for resupply—an amount too large and too costly to be transported entirely by air.

JOPES

Senator McCain. Why has it taken TRANSCOM at least a decade longer to get out of the "stubby pencil" mode you refer to on page 15, and create JOPES, than any comparable business or commercial operation?"

General Johnson. USTRANSCOM's involvement in the development of the Joint Operation Planning and Execution System (JOPES) software is recent. JOPES is being developed to replace two outdated planning systems, the Joint Operations Planning System (JOPS) and the Joint Deployment System (JDS). JOPS, a 1960's system, is used for deliberate (long-term) planning. JDS, developed in the early 1980s to correct JOPS deficiencies identified during exercise Nifty Nugget 78, supports crisis action (time-sensitive) planning. Both systems are needed to conduct joint planning and execution—neither is sufficient to meet all planning and execution requirements independently. Despite enhancements to JDS, excessive manual intervention and time is needed to interact with JOPS. Integration of JOPS and JDS capability was the foundation for JOPES development. When USTRANSCOM was established, the command assumed responsibilities for JDS from the Joint Deployment Agency (JDA) which was disestablished in 1987. As the JDS sponsor, USTRANSCOM was asked in mid-1989 to serve as co-developer, in concert with the Joint Data Systems Support Center (JDSSC), for the initial stages of JOPES.

Automated Data Processing (ADP) support for JOPS and JDS is provided by the Worldwide Military Command and Control System (CCS). WWMCCS is being modernized to provide required ADP support for JOPES. Development of JOPES, which includes the software and planning procedures which will be used with WWMCCS, is therefore tied to WWMCCS modernization. WWMCCS modernization has been slower than planned due to budget cuts and programmatic delays in ADP hardware. The delays adversely impact JOPES fielding.

Since mid-1989 the JOPES program has moved forward and the first of many capability improvements was delivered to the Joint Planning and Execution Community in November of 1989. Additional enhancements will be delivered every 6 months.

[Whereupon, at 10:30 a.m., the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

THURSDAY, FEBRUARY 22, 1990

U.S. Senate,
Committee on Armed Services,
Washington, DC.

IMPLICATIONS OF CHANGES IN THE SOVIET UNION AND EASTERN EUROPE FOR WESTERN SECURITY

The committee met, pursuant to notice, at 9:08 a.m., in room SR-222, Russell Senate Office Building, Senator Sam Nunn (chairman) presiding.

Committee members present: Senators Nunn, Exon, Levin, Dixon, Gore, Wirth, Shelby, Warner, Thurmond, Wallop, and Gorton.

Committee staff members present: Arnold L. Punaro, staff director; Richard DeBobes, counsel; and Daniel G. Sakura, research assistant.

Professional staff members present: Robert G. Bell, Richard E. Combs, Jr., John J. Hamre, William E. Hoehn, Jr., David S. Lyles, Michael J. McCord, Norman G. Mosher, and William H. Smith.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel; Romie L. Brownlee, deputy staff director for the minority; Brian D. Dailey, Judith A. Freedman, George W. Lauffer, John E. Mansfield, and Mark B. Robinson, professional staff members.

Staff assistants present: Barbara L. Braucht, Barbara Gallo, and Mary J. Kampo.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon; Kenneth N. Luongo, assistant to Senator Levin; Charles C. Smith, assistant to Senator Dixon; Milton D. Beach, assistant to Senator Glenn; Leon S. Fuerth, assistant to Senator Gore; Terence M. Lynch, assistant to Senator Shelby; James M. Bodner, assistant to Senator Cohen; Anthony H. Cordesman, assistant to Senator McCain; Lee W. Whittaker, assistant to Senator Wallop; Robert M. Soofer, assistant to Senator Gorton; Charles G. Pearcy, assistant to Senator Lott; and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR SAM NUNN, CHAIRMAN

Chairman Nunn. The committee will come to order.

This morning the Armed Services Committee meets to continue our hearings on the implications of the recent changes in the

Soviet Union and Eastern Europe for our national security policy, our military strategy and, ultimately, our defense budget.

Over the past month the committee has received testimony on the military, political and economic consequences of these changes from representatives of the Intelligence Committee and from U.S. private experts, from European as well as Japanese experts, and NATO parliamentarians from the North Atlantic Assembly.

We have also heard testimony from former Secretaries of Defense James Schlesinger and Harold Brown, and from the last three Chairmen of the Joint Chiefs of Staff on how the United States and our allies should respond to the Soviet threat economically, diplomatically and militarily both in the near term and over the longer term.

Secretary Cheney and General Powell presented the administration's 1991 defense budget to the committee earlier this month.

We have had four hearings with the Unified and Specified Combatant Commanders.

This morning the focus of our hearing continues to be on the U.S. and allied response to the Soviet changing threat and the changing situation in Central Europe. It is a pleasure to welcome former Secretary of Defense Frank Carlucci back to the committee this morning.

Over a distinguished career of 30 years in public service, Frank Carlucci was nominated by four different Presidents to serve in a total of seven positions requiring confirmation by the Senate. During President Reagan's administration, Frank served as Deputy Secretary of Defense and later as assistant to the President for National Security Affairs and, finally, during the last 14 months of President Reagan's second term, as Secretary of Defense.

Frank Carlucci took over the Department of Defense in a period of declining defense budgets, and he inherited a 5-year defense plan that, to say the least, had to be radically adjusted. Without his careful and realistic stewardship of the Department of Defense, the process of restructuring the 5-year defense plan we are facing now would be many times more difficult than it is.

I also want to commend Frank for his leadership in the area of base closings. Frank worked with us on the overall idea of the Commission that ultimately recommended the closure or realignment of 86 bases. He took the lead in that. We worked closely with him and the Commission members. To their credit, their work withstood every challenge, and the Congress approved the list and provided the $500 million in initial funding to implement the recommendation.

We are fortunate, Frank, to have you back with us today. We value your advice, and we will listen to you very carefully.

Before we call on you, I will ask Senator Warner for any comments he may have.

Senator **Warner**. Mr. Chairman, I join you in welcoming this distinguished public servant and our dear friend back before this committee.

I shall press on with some questions about your statements regarding the stability role of the U.S. forces in Europe. I agree with you on the importance of keeping a strong and credible U.S. presence in Europe, but we have to define with some greater clarity exactly what role stability forces play. You are a key person to help us with that definition.

I am reminded that Theodore Roosevelt once said, "Order without liberty and liberty without order are equally destructive", so let us work toward solving that role.

Thank you, Mr. Chairman.

Chairman **Nunn**. Thank you, Senator Warner.

Senator Dixon and Senator Thurmond have asked that their prepared statements be made a part of the record.

[The prepared statements follow:]

Prepared Statement by Senator Alan J. Dixon

Mr. Chairman, today's hearing is the seventh in a series of hearings this committee is holding on Eastern Europe and the Soviet threat.

As I said in our previous hearings, the United States must examine what is happening in Eastern Europe in order to base our actions on solid information. The Soviet Union still has many military divisions in Europe. I believe that we can make cuts in our military strength in Western Europe now, but I do not think we should make massive cuts in our strength until we see a complete withdrawal of Soviet troops from Eastern Europe. We cannot relax our vigilance until the peoples of Eastern Europe can truly breathe the air of freedom—freedom from the threat of the presence of Soviet troops.

Mr. Chairman, I look forward to hearing from Frank Carlucci, former Secretary of Defense.

Thank you.

Prepared Statement by Senator Strom Thurmond

Thank you Mr. Chairman: I join you in a warm welcome to former Secretary of Defense Carlucci. I would also like to note for the record, that Secretary Carlucci appears to relish the title former Secretary of Defense, where he did a fine job.

Mr. Secretary, I want to congratulate you on your statement and your support for a cautious approach to reductions in our defense structure. The euphoria brought about by the end of the cold war and the diminished conventional threat in Europe is encouraging many Members of Congress and the public to throw caution to the wind.

I have pointed out before, and will continue to do so, that the same euphoria swept this country after the end of both World War I and World War II. We reduced our forces without regard to any future threat—and we paid for it on both occasions.

There is no doubt that we can and should reduce our defense expenditures as we reduce our forces in Europe. Let us, however, do it in a deliberate and rational way to ensure that we retain a capability to react to the uncertainties that still lie ahead.

Secretary Carlucci, you have proposed a rational reaction to the events in Eastern Europe and I commend you for it.

My best wishes to you and your family.

Thank you, Mr. Chairman.

Senator **Nunn**. Frank, we are delighted to have you, and we will listen to any statement that you have. Then we will have questions for you.

STATEMENT OF FRANK CARLUCCI, FORMER SECRETARY OF DEFENSE

Mr. **Carlucci**. Thank you, Mr. Chairman. It is a great pleasure to be before the committee again. If I may, I would request that my entire statement be submitted for the record.

Chairman **Nunn**. Without objection, it will be.

Mr. **Carlucci**. I will go through it quickly.

By now, of course, I can only reiterate what a lot of people have said, that the changes in Eastern Europe and the U.S.S.R. have been swift, dramatic and fundamental. I accept the conventional wisdom that, by and large, these are irreversible, although they are clearly more reversible in the U.S.S.R. than in Eastern Europe.

Yet, there are still many unanswered questions. Where will the economic crisis in the Communist world lead? How will ethnic tensions in irredentism be contained? Will the current state structure survive? What will the leadership be?

A while back I received a letter from a U.S. military officer in Germany who said we have exchanged a high risk, high stability situation for a low risk, low stability situation. Hope abounds, but so does uncertainty. Mob violence, anarchy, chaos, economic chaos have replaced tanks racing through the Fulda Gap as the principal threat.

Obviously this requires a more sophisticated approach, a blend of economic, political and, to some extent, military tools. It is a temptation to say we no longer need the military, but our predictions have not always been right in this area clearly. Throughout history some degree of military strength has been needed as a contingency to deal with uncertain situations.

The question is one that Senator Warner asked, how much, what kind, and where located. Let me emphasize here that in my contacts with the Pentagon I have really not found in military any real reluctance to downsize our military establishment. They are really seeking—and I know this committee would join me in saying this is the right thing—the guidance and the time and the support to do it right. They all remember the unhappy experience of the 1970s, and they do not want to repeat that exercise.

This really is a time for leadership to emerge. In my judgment, we have the finest military establishment that we have ever had. While we need to reduce it and we need to do so as fast as possible, we should not put the torch to it. We have the finest men and women that we have ever had in our military establishment. They have served our country well, and we owe them a debt of gratitude for at least part of this current favorable turn of events.

If we are going to tell them that they are going to have less, we need to tell them equally what missions they no longer need to carry out. Of course, any sensible reductions have to be carried out in accordance with some kind of strategic concept.

Quite frankly, I wish the administration were moving faster in this area, but I have to concede as well that it is very difficult in a fast-moving situation to develop a long-range strategy. Nonetheless, in my judgment, at a minimum we need to work together, the administration and the Congress, to define our key interests around the world and to determine from there what kind of forces are necessary to defend those interests; otherwise, the wrong criteria will be applied.

A few things are clear even now. The Warsaw Pact, of course, is a dead letter, and the canonical threat of Soviet and East European hoards pouring over the central plains of Europe has all but disappeared. We are moving from a bipolar to a multipolar world. While the threat to our overall security from regional conflicts has decreased as a result of disarray in the Communist camp, over a period of time regional conflicts will become increasingly threatening as irresponsible countries get their hands on ever more sophisticated weapons of war.

The Middle East, on which we are becoming increasingly dependent for oil, is an area of particular concern. We had to engage our forces there once; we may well have to do it again.

Absent a new strategic concept, I am, of course, reluctant to make judgments on the budget details, nor is it appropriate for me to second-guess my successor; but I know the committee does want me to comment on a couple of areas, which I will proceed to do so.

I cannot come up, Mr. Chairman and Senator Warner, with a number off the top of my head for troop strength in Europe, but clearly we no longer need the substantial heavy armored force that we have had there. Some sort of flexible capability at a much reduced level would seem adequate to meet our needs, but it will take some time to structure this properly and to integrate it with what our allies will be doing.

True, we will end up with a force that cannot deal with a major conflict, but history has taught us it is better to be involved at the outset in Europe with minor conflicts that could spread than to wait until the last minute.

I agree strongly with the President that we should maintain a presence in Europe to respond to European desires. Our military presence is more than just a military presence. It is a symbolic presence. It represents the American commitment to a continent that has been terribly important to us and will become increasingly more important to us. It really is the heart of the Atlantic alliance.

I can tell you from my experience in business, Europe is moving very rapidly in the economic area. I believe that Europe 1992 is going to happen, and it is going to be dramatic, particularly if a way is found to associate the countries of the East. We need to keep our oar in. If we turn our backs on the Europeans now on their request that we maintain a presence, they will write us off. Indeed, some are already starting to do that as a result of the debate in this country. If this happens, our political and economic influence and our commercial access will be reduced, to our great disadvantage.

We are a force for stability in Europe. We need them, and they need us, and we need to work with them on what the appropriate troop level should be.

Strategic weapons choices I know the committee has wrestled with. They are particularly difficult in a period of declining budgets. While the Small ICBM has its attractiveness—Mr. Chairman, you and I have discussed this many times—I did not feel we could afford it when I was in DOD, and I do not feel we can afford it now.

Changes in the Soviet Union have, of course, weakened the rationale for the MX, but I am both concerned and puzzled by the continued Soviet modernization of their strategic forces. They seem to want to do this to maintain their big power status.

It is important to note in the case of the MX what we are talking about is not an ongoing program or a new program. We are talking about taking existing missiles and pulling them out of silos and putting them in a more survivable and more stabilizing mode. The option is not to do away with the MX. The option is to leave them in fixed silos which is, of course, destabilizing. We are also talking about maintaining START negotiating leverage.

I agree with Secretary Cheney that the B-2 should remain a high priority despite its cost, although, as the committee is aware, flyaway cost is much lower than the figure that has been used in the press.

I believe it is particularly important that we preserve the air-breathing leg of the Triad. It is a leg where we have been traditionally strong. It is arguably the most stabilizing leg, and it is the leg that can be used in a conventional role. By the year 2000 the B-52s will be 40 years old and the B-1 15 years old. There are limits to what we can do to keep these aircraft flying safely. Without a replacement, we move to a diad.

Moreover—and I think this point is particularly important—the bomber counting rule and now the ALCM rule that we have worked out with the Soviets are the key to the continued military sufficiency as assessed by the Joint Chiefs of a START agreement. If we do not continue with the bomber modernization program, I would anticipate that the Joint Chiefs would want to review our START negotiating position. START has been deliberately skewed in favor of the slow fliers, and we have pretty much gotten our way. It is important that we maintain our slow flier capability.

In a world where economic, political, military and technological power is becoming increasingly dispersed, it is important to reconfigure our military and to protect our interests in regional disputes. We, of course, do not want to be the world's policeman, but we should never forget that we are an island nation dependent on others for strategic materials. In many cases we will just want to insulate ourselves from regional conflicts as, in fact, we attempted to do in the Persian Gulf.

As we downsize our military establishment, it is important that we protect the assets that need to be used in these regional disputes. For example, I have heard talk about cutting way back on strategic airlift. Well, strategic airlift is one of the most critical factors in force projection to deal with regional disputes. I make the point only to illustrate that we need to heed the best professional advice. Frankly, I know of no one better than General Powell and the Chiefs to provide this advice.

The impression has been created in the media that the Soviets are cutting massively in the defense area while we are resisting cuts. As this committee knows, our defense budget in real terms has been going down for 5 years, long before the Soviets started any cuts. Moreover, they are cutting from a much larger base. I, at least, have to raise some questions about their figures. Their figures may be totally accurate, but we have no way of knowing.

When I first met with my Soviet counterpart, General Yazov, I asked him what the Soviet military budget was and why they did not publish it. He said we cannot publish it because we do not know what it is. He argued that it was dispersed throughout many government agencies, but the more I reflected on it and the more conversations I had with Soviet military people, the more I became convinced that they just order up so many tanks. How do you price the tank? How do you price the raw materials going into it? How do you price the labor going into it? A tank costs essentially what they say it costs until and if they move to some kind of market economy.

The fact is that in spite of all their change, they remain a formidable military power. They, in essence, are not demobilizing. They are restructuring, and Gorbachev himself said last April that the cuts that he is imposing will bring about a new quality in their military establishment without any detriment to their country's defense capability.

Unless we want to bet our children's future on a favorable outcome of the current evolutionary or, indeed, revolutionary process in the U.S.S.R., we need to retain considerable capability. As this committee knows, it is far easier to take down a military establishment than it is to build one up, and in the long run it costs a lot more to rebuild it.

Thank you very much, Mr. Chairman. I am now prepared to respond to the committee's questions.

[The prepared statement of Mr. Carlucci follows:]

Prepared Statement by Frank C. Carlucci, Former Secretary of Defense

Mr. Chairman, Members of the Committee: I commend you on these timely and exhaustive hearings. It is a privilege to participate. At the outset, I should underscore that my current business activities are remote from the defense scene. Therefore, I am less up to date than most of your other witnesses.

It is now a truism to observe that changes in Eastern Europe and the U.S.S.R. have been swift, fundamental and dramatic. Nor do I know of any informed observer who believes we could return to the status quo ante, although change is clearly more reversible in the U.S.S.R. than Eastern Europe. While the central European military threat has decreased with breathtaking speed, there are still many unanswered questions: Where will economic crisis in the Communist world lead; how, if at all, will ethnic tensions and irredentism be contained; will the current national state structure survive, and, if so, what will be its leadership; will the U.S.S.R.'s current foreign policy orientation continue, and will it become fully reflected in its regional activities. A while back, I received a letter from a senior U.S. military officer in Germany who observed that we have traded a high threat, high stability situation in Central Europe for one of low threat, low stability. Hope abounds, but so does uncertainty.

Mob violence, anarchy and economic chaos have replaced tanks racing through the Fulda Gap as the principal threat. Obviously, coping with these threats requires more emphasis on economic and political tools than military deterrence. But who can predict with confidence that a military contingency will not arise. Certainly our track record on predictions leaves a lot to be desired. Throughout history, some degree of military strength has always been judged necessary to help cope with potential instability in areas of critical interest.

The question is how much, what kind, and where located. Here, let me put in a brief commercial for the Pentagon that has recently been pummeled for "having its head in the sand." The senior military people with whom I have spoken are not fighting the prospect of decreases in our military establishment—even sizable decreases. If they reflect a real reduction in the threat they welcome them because they, more than anyone else, have an interest in avoiding war.

But their hope—and mine as well—is that they be given the guidance, the time, and the authority to downsize in a sensible way. They all remember the unhappy experience of the 1970's; they do not want to be forced to hollow out and decrease the quality of our forces. After more years in Washington than I care to admit I recognize political reality, but if ever there was a time for leadership to emerge, it is now. We have the finest military establishment in history. Sure, let's reduce it, and let's do so as fast as possible, but let's not put the torch to it. In particular, let's treat the people well. They represent quality and they deserve our gratitude for their substantial contribution to the current favorable turn of events. When we give them less to do their job, we are also obliged to tell them what defense missions they will no longer have to carry out.

Of course, any sensible reductions must be carried out pursuant to a strategic concept. I wish the administration were moving faster on such a concept, but in fairness events are moving so rapidly that it is a challenge just to keep pace, much less develop a long range strategy. Nevertheless, we need at a minimum to redefine our key interests around the world, and to develop a new blueprint for the forces needed to defend these interests. otherwise, the wrong criteria will be applied.

A few things are clear, even now. The Warsaw Pact is a dead letter, and the canonical threat of Soviet and East European hordes pouring into the central plains of Europe has disappeared. We are moving from a bipolar to a multipolar world. That has its advantages, but it also is fraught with uncertainties. While the threat to our overall security from regional disputes has diminished due to the disarray in the Communist camp, this threat will again increase as nations gain further access to missiles, chemical weapons and other sophisticated weapons of mass destruction. The Middle East, on which we are becoming increasingly dependent, is an area of particular concern. During my tenure, we used our military to protect our strategic interests in the gulf. At some point, we could be required to do that again.

Absent a new strategic concept and absent my familiarity with the budget details, it is inappropriate for me to second guess my successor, for whom I have the highest regard. Nonetheless, I know you wish me to comment on areas that have been of high concern to your committee; the U.S. troop presence in Europe, and the need to continue our strategic forces modernization program.

I am not qualified to recommend a new number for troop strength in Europe. Clearly, we no longer need the same commitment of heavy armored forces in Europe. Some sort of flexible capability at a much reduced level would seem to meet our needs, but it will take time to structure this sensibly. Also, it will take time to mesh our new force structure with European capabilities. True, what we will end up with will be a more flexible mobile force that will not be able to cope with a major conflict. But the latter, if it happens, is likely to grow out of a small dispute. History tells us we need to be engaged at the outset in any conflict in Europe if we are to avoid worst case scenarios. Moreover, I agree with the President that we should maintain a presence to respond to European desires. Europe is economically dynamic and will soon be the world's largest single market—particularly if a way is found to associate the countries of the east—and we need to keep our oar in. If we turn our backs on their request for a continued military presence, they will write us off. Indeed, some Europeans are already doing this as they listen to our current debate. If this happens, our political and economic influence, and our commercial access will be reduced, to our great disadvantage. We are a force for stability in Europe. We need them and they need us. Let's work with them to find the right number for our troop presence, but let's not cut and run.

Strategic weapons choices are particularly difficult in an atmosphere of declining budgets. While the Small ICBM has its attractions, I didn't believe we could afford it when I was in office, and I think we can afford it even less now. Changes in the U.S.S.R. have weakened the rationale for MX, but I am both puzzled and concerned by continued Soviet modernization of their strategic forces. Unless we want to bet our future on Gorbachev alone, we can't let the strategic balance get out of hand. The important point about MX, it seems to me, is that we are not talking about new missiles or even an ongoing missile program. We are talking about putting already deployed missiles in a more survivable—and more stabilizing—mode. The option is not to do away with them; it is to leave them in fixed silos. We are also talking about maintaining START negotiating leverage in the face of the U.S.S.R.'s continued deployment of two mobile systems.

I agree with Secretary Cheney that the B-2 should remain high priority despite its cost. However, as you are aware, the flyaway cost is considerably under the figure typically used in the press. I believe it important that we preserve the air-breathing leg of the Triad. It is the leg where we have traditionally been strong, it is arguably the most stabilizing leg, and it is the leg which can be used in a conventional role. By the year 2000, the B-52's will be 40 years old, and the B-1, 15 years old. There are limits to how long we can keep these aircraft flying safely. Without a replacement, we move to a diad. Moreover, the bomber counting rule is key to the JCS endorsement of START; if we stop the modernization program, the Chiefs may well request a reformulation of our negotiating position.

In a world where economic, political, military and technological power becomes increasingly dispersed, it is important to reconfigure our military to protect our interests in regional disputes. Of course, we do not want to be the world's policeman, but we are an island nation dependent on others for strategic materials. Moreover, we will need power projection simply to insulate our interests from regional conflicts, as in the Persian Gulf. With support, and some prodding from the Congress, the Pentagon has been moving to strengthen this capability. As DOD downsizes, it is important that we protect those assets that enable us to deal with regional contingencies. For example, I hear talk about cutting airlift but airlift is precisely what is needed for rapid deployment. "How much" is a subject that needs to be addressed. My point again is that the reductions should be done carefully with the best possible professional input. I can think of no one better equipped to provide this advice than General Powell and the Chiefs.

The impression has been created in the media that the Soviets are cutting massively while we are resisting cuts. As this committee knows, our defense budget has been going down in real terms for 5 years—long before the Soviets started any cutbacks. Moreover, the Soviets are cutting from a larger production base, and their figures must remain suspect. During my meetings with General Yazov, they told us they didn't know what their military budget was because it was dispersed among different agencies. Even if that has changed, the price of military equipment can be almost anything they say it is in a non-market economy. The fact is that despite all their change, they remain a formidable military power. Gorbachev himself has said the budget cuts will bring a new quality to the Soviet military without any detriment to the U.S.S.R.'s national defense. He is restructuring, not demobilizing. Unless we wish to bet our children's future on a fully favorable outcome of the current evolutionary—or, indeed, revolutionary—process in the U.S.S.R., we need to retain considerable capability. It is easy to tear down a military establishment; it takes a lot longer—and costs much more—to rebuild it.

Thank you, Mr. Chairman. I would now be pleased to respond to your questions.

Chairman NUNN. Thank you, Mr. Carlucci. I have a few questions, and then we will rotate around. You state in your statement that "the Warsaw Pact is a dead letter, and the canonical threat of Soviet and East European hordes pouring into the central plains of Europe has disappeared."

You go on to state, in other parts of your statement, that we are a force for stability in Europe. Clearly, you had in mind a different role for U.S. forces in Europe.

Mr. CARLUCCI. Indeed.

Chairman NUNN. Would you tell us how you would go about approaching even sizing those forces—forces there for stability, rather than forces there to ward off an attack by a united Warsaw Pact? How would you go about sizing those forces if you were Secretary of Defense?

Mr. CARLUCCI. Well, the first thing, obviously, that you have to do is reassess the threat in more detail than I have described here. The Soviets, as best I can tell, are still pursuing a deep encirclement strategy, but there are some signs that they are pulling back on their operational maneuver groups.

If so, we can surely move from forward-deployed forces to forces stationed further back with greater mobility, greater flexibility, less heavy fire power. But they must have the capability to respond to contingencies very rapidly.

I think it is extremely important that we work with our allies on this, because I would not envisage it as a purely American force. It has to be integrated totally with the capabilities of our allies and we have to work out a rational division of labor with our allies.

I will be candid with you, Mr. Chairman. Sitting before this committee and given the amount of time I have had to spend on this subject, I cannot come up with a detailed plan. But I would certainly, if I were in the Pentagon—and I assume this is being done—be tasking the military to do this as rapidly as possible.

Chairman NUNN. In other words, I am not trying to get a size from you, but I am trying to get the ingredients that would go into your definition of "role." What I am hearing you say is that you would envision the forces of the United States being part of an allied force, number one.

Mr. CARLUCCI. Yes.

Chairman NUNN. Number two, that they would be further back from the front than they are now.

Mr. CARLUCCI. Yes.

Chairman NUNN. Or, at least their wartime missions would be. Number three, they would have to maintain, if not increase, their mobility and probably become lighter forces.

Mr. CARLUCCI. That is correct. You have put it better than I have—more succinctly than I did.

Chairman NUNN. Well, I think that is what you said, and that is pretty close to it. Are there any other elements of it that you would be emphasizing? Airlift you clearly emphasized.

Mr. CARLUCCI. Airlift I think is extraordinarily important.

Chairman NUNN. What about sealift?

Mr. CARLUCCI. Airlift and sealift—strategic lift. As you probably recall, one of the first things that I did when I came into the Pentagon in 1981 was to put extra money into strategic airlift and sealift.

In fact, I squirreled away and withheld some money from the services and did not reveal it to them until the last minute and said, this is your money if you use it on strategic airlift, and that in fact is how we got the C-5B.

The services do not naturally assign a high priority to strategic airlift and sealift, but every war game I have seen convinces me that that is the critical element in fore deployment of our forces, so you have to carefully maintain your sealift and airlift capability so that you do not leave whatever forces you have in Europe isolated, should they get into difficulty.

Chairman NUNN. Mr. Carlucci, you mentioned that without the B-2 we were building toward a dyad. I am for the B-2 and I have been all along, but really, can you tell us what your view is as to the role of the B-2? I know the importance of the arms control counting rules, but they can always be changed, I would assume, even though we would have to reverse a lot of our negotiating history.

Mr. CARLUCCI. Well, I think you would have to renegotiate the agreement, if you changed it.

Chairman NUNN. We really do not want to get into a situation where we are building a $60 or $70 billion weapons system in order to match our arms control position.

Mr. CARLUCCI. No, and I quite agree with that statement. I think the B-2 gives us a unique capability in terms of range and payload that you do not get even from cruise missiles. Furthermore, it gives you the flexibility that you do not get from cruise missiles particularly as the Soviets become increasingly able to extend their defenses further out. You reach a limit beyond which you cannot use cruise missiles, yet the B-2 can continue to penetrate.

While we do not want to tailor our forces to meet a START agreement, if you have the 4,900 ceiling in START—and I frankly was the one who negotiated that ceiling and I believe it is in our interest—then you do need the air breathing leg. You need the slow movers to cover your target base in the Soviet Union.

I have been reading in the press about how the B-2 would only be used in a post-nuclear exchange. It is an integral part of our ability to cover our target base. Obviously in an open forum I am not able to get into any more detail than that, but this committee is very much aware of the targeting asymmetry.

Let me repeat what I said earlier. I am puzzled by the Soviets' continued modernization of their strategic forces. This ought to be a matter of real concern to us.

Chairman NUNN. You seem to be discounting very heavily the role of the B-1.

Mr. CARLUCCI. Well, the B-1 was only designed, as I recall it, to penetrate until about 1992, so we always envisaged the two programs being developed in parallel. The B-1 went into production to meet our immediate needs. We saw an immediate gap with the B-52s losing capability. So we never intended the B-1 to penetrate past the mid-1990s. The B-2 will have an ability to penetrate considerably longer.

Chairman NUNN. What role do you see for the B-1 in the future? We are actually getting them out there; if it will not penetrate beyond 1992, its useful life as a penetrator is so abbreviated you have to wonder why in the world we ever built it.

Mr. CARLUCCI. That figure is, of course, contingent on what the Soviets do with their air defense. Coming off the top of my head as a figure I recollect is either 1992 or 1993, whenever.

Chairman NUNN. The mid-1990s?

Mr. CARLUCCI. Yes, the mid-1990s. I think the B-1 and the B-2 for that matter will be very important in a conventional role, and I think we are going to have to pay a lot more attention to regional disputes.

Now, I am not inventing a new rationale for a weapons system, but I do think we probably should have emphasized the conventional role of these weapons much earlier than we did. The B-1 can continue in a conventional role, and it can continue to be a standoff weapon using cruise missiles.

I climbed through a B-52 back in 1981. I would not have wanted to fly it then, and I can assure you I would not want to be flying it in the mid-1990s. I think we owe it to our people to get them the kind of equipment that at least has a reasonable prospect of getting there and surviving.

Chairman NUNN. Of course, the military still wants to keep the B-52 for a long time in different roles. They want to fly them. Senator Warner.

Senator WARNER. Thank you, Mr. Chairman.

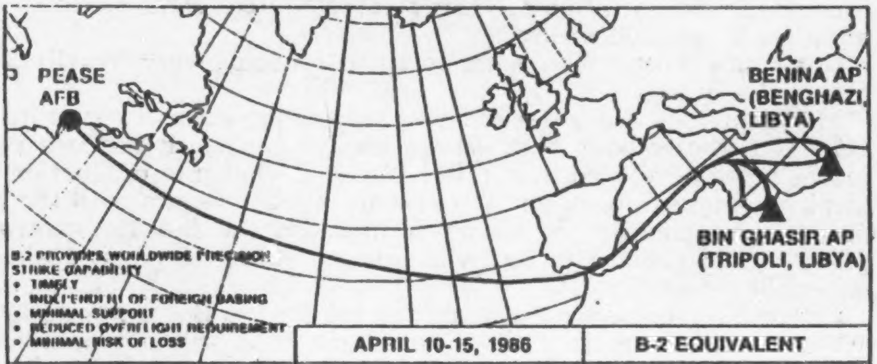
Secretary Carlucci, I just happened to have visited the west coast this past week and actually climbed into the cockpits of both the B-1 and the present stage of the B-2, and I saw the actual operation of the B-2. I join you in strongly supporting these programs.

Now, what level we will strike with the B-2 remains to be seen. I intend to ask unanimous consent here to put into the record a very dramatic set of statistics that were given to me showing that in the Presidential decision to go into Libya, which I supported and indeed the American people supported, and this decision turned out to be a very dramatic and courageous example of how we can sometimes use our power with restraint.

[The information follows:]

B-2 CONVENTIONAL UTILITY

APRIL 1986 LIBYAN RAID


PEASE AFB
BENINA AP (BENGHAZI, LIBYA)
BIN GHASIR AP (TRIPOLI, LIBYA)
B-2 PROVIDES WORLDWIDE PRECISION STRIKE CAPABILITY
• TIMELY
• INDEPENDENT OF FOREIGN BASING
• MINIMAL SUPPORT
• REDUCED OVERFLIGHT REQUIREMENT
• MINIMAL RISK OF LOSS

	APRIL 10-15, 1986	B-2 EQUIVALENT
AIRCRAFT AT RISK	84	4 *
SUPPORT AIRCRAFT	35	5 **
AIRCREW AT RISK	134	8
TIME REQUIRED	5 DAYS	HOURS

* NUMBER OF B-2s REQUIRED TO DELIVER THE SAME PAYLOAD AGAINST THE SAME TARGETS

** ONE REFUELING BY KC-135Rs

NORTHROP

Senator WARNER. I think the record will verify that we could have used the B–2 and only one fourth the aircraft involved and flown directly from the continental limits of the United States, performed that mission with one fourth the amount of aircraft, one tenth the amount of people involved, and carried it off with far less risk to our people.

So we would have achieved our goals and yet subjected human risk and other risk at a far less level. Therefore, I am glad that you said that perhaps we should have begun early on to stress the conventional role that both of these platforms have.

I would like to turn now to your statement. I copied this down very quickly. You said, in terms of our troops in Europe, maintain a presence to respond with European desires. Do you recall something along that line?

Mr. CARLUCCI. Well, to maintain a presence in accordance with European desires. That is not that we have to do everything they ask us to do, of course, but the continued U.S. presence is fundamental, in my judgment.

Senator WARNER. Now, let us just get down to basics a bit. I totally support the President. I think it is important. We can go all the way back to World War I, how we pulled out precipitously. We pulled out after World War II and then we had to go back in.

So I support remaining there, but we have got a responsibility, too, to explain to the American people precisely what is the mission of, say, a force of 195,000 men and women of the Armed Forces.

Taking away for a moment the continuing threat from the Soviet Union, albeit drastically reduced by virtue of the Warsaw Pact now becoming nothing more than a paper tiger, there still remains some contingent liability of a ground action by the Soviet Union. But if you put that to one side, is there any other threat posed?

Mr. CARLUCCI. I think there is.

Senator WARNER. What are those threats?

Mr. CARLUCCI. I think the threat of just chaos and anarchy in Eastern Europe.

Senator WARNER. Well now, let us dwell on that. I have asked each of the witnesses who have come before us in the past several weeks this: supposing Hungary and Romania got into a shooting war as a consequence of their longstanding border disputes? Would NATO forces—would U.S. forces be involved? Absolutely not, everybody says. We would not want to extend NATO to being a policeman between the Warsaw Pact nations, and I agree with that. So what is the threat?

Mr. CARLUCCI. You do not want to be a policeman, but as you know, Senator Warner, I spent some 26 years in the Foreign Service, and unless you can negotiate with some capability behind you, you find it very much harder to achieve your negotiating goals.

If we are over there trying to negotiate some solution to a regional dispute—and you can just see today, the Polish Prime Minister has raised some questions about wanting the continued presence of Soviet troops because of his concerns about Germany.

Now, I do not think the Soviet Union is going to engage Germany, either, but that presence has an importance to at least the Polish leadership, and if we are negotiating simply from our moral posture, sitting back in the United States with all our forces withdrawn, we carry much less weight.

Let us be frank about it, even in this public hearing Europeans' concerns about Germany in my judgment are misplaced. I am confident in the future of a democratic Germany. But those concerns in themselves are real, and the Europeans view the U.S. presence as some kind of a guarantee that what happened in the 1930s will not happen again, and that is psychologically very important.

Senator WARNER. Well now, Mr. Secretary, I agree with you, but the NATO charter—our troops are there by virtue of that charter—makes no provision for the utilization of those troops in any problems that might arise between a reunified Germany and a Warsaw Pact state.

Mr. CARLUCCI. Well, I think some of the goals and missions of NATO are clearly going to have to be renegotiated. NATO is going to have to become more of a political alliance and less of a pure military alliance.

What we, as a country, are going to have to do is to integrate our diplomacy, our economic and security programs and our military programs much more closely than we have ever done in the past. I have, frankly, been disappointed at the continuing fragmentation of these programs. They ought to be pulled together.

Senator WARNER. Before I lose my time here, and I am about to lose it—someone handed me this quote—Frederick the Great said, "Diplomacy without arms is like music without instruments." That is a great quote.

Roles and missions. The current Secretary, in my judgment, has an opportunity unlike any other Secretary, really, since World War II to make significant revisions in the roles and missions of the services. What I am saying to you is what I have said to him in open hearings. He has that opportunity now, as we begin to reconfigure the forces of our country, to meet the changing threat.

How would you reconfigure the basic roles and missions, in general, of the three military departments?

Mr. CARLUCCI. I would go back to a point I made earlier, that the administration in general—not necessarily the Defense Department—has to go to work as soon as possible.

They may be doing this, but I do not know that it is being done. We need an overall strategic plan, systematically identifying, or reidentifying, if you will, our interests, working back from those interests to the kind of military establishment that is needed to defend those interests, then moving from there to what ought to be the role and mission of the Armed Forces in this new world.

Is there, in fact, any overlap, as I have seen in the press, between the Marine Corps and the Army? What ought to be the role of a new Army? I know General Vuono is already working on trying to redefine that role, but it is very difficult for our military leaders to do this unless there is some overall guidance on our strategic interests around the world.

But I quite agree with you, it is a unique opportunity to reshape the roles and missions of our military establishment.

Senator WARNER. My time is up, Mr. Chairman.

Chairman NUNN. Let me yield time for Mr. Carlucci to finish the statement about the overall foreign mission, foreign aid, and military.

Mr. CARLUCCI. Well, back in 1983 I chaired for Secretary Schultz a commission on our economic and security assistance. It had 26 Members of Congress from the Senate and the House on it. Senator Shelby, I think you were on it.

And one of the things that we emphasized was the need to have an integrated approach, a building block approach country by country where our interests were.

We concluded that economic and security assistance were terribly important diplomatic tools, yet these tools particularly when you start taking into account the role of the Treasury Department, the Agricultural Department (P.L.-480) are not integrated under the leadership of a single figure in our executive branch.

I would give that leadership role to the Secretary of State. We came up with an organizational structure that would do this, including an enhanced role for the Secretary in the security assistance program. Particularly as we are going to have to review our base structure around the world, we are going to have to move to a new and more vigorous foreign policy, in my judgment.

I know there are a number of people, including people up here on the Hill, who think that we cannot carry our burdens around the world. I am of the opposite persuasion. I think we can carry the burdens. That does not necessarily mean financial burdens if we organize ourselves properly and if we exercise a leadership role.

Chairman NUNN. I agree with the statement you just made. I think that one of the things we are seeing unravel right now, for instance, is our relationship with a lot of countries because our security assistance has gone straight down.

Our committee does not have jurisdiction over security assistance, and yet the commanders in chief in the field come in and testify this is the second year in a row that they would rather have their security assistance requests than any other priority. That is the top priority they have, and it is not being met.

Mr. CARLUCCI. I think at one point I suggested to you that this committee get involved in security assistance. I recognize the jurisdictional problems of this, but it is essential that those be integrated.

I would give up a lot of weapons to get security assistance fully funded.

Chairman NUNN. We have the same thing in the Philippines. The best efforts packed that we made with the Philippines from their point of view was a pledge.

Now, maybe we view it differently, and we could, but they believe that was a pledge, and now we are seeing the repercussions.

The best efforts did not produce the money that they were looking forward to and, therefore, our bases in the Philippines are under great jeopardy now. The Secretary of Defense just goes to the Philippines and does not even get a meeting with the President of the Philippines, an individual that we have been very close to.

So, we are seeing the defense part of our relationship in that part of the world jeopardized because of the inadequacy of the funding level there.

Mr. CARLUCCI. And this is not the first time, by the way, Mr. Chairman. The same thing happened with Portugal. We almost lost the Azores. I had to go in and negotiate that one personally because we did not fulfill our best efforts pledged to the Portuguese. So, it is happening to our great detriment.

This is a relatively little expenditure for a great capability.

Chairman NUNN. I believe Senator Exon is next.

Senator EXON. Mr. Chairman, thank you very much and, Mr. Carlucci, welcome. I just want to say that certainly during your time as head man over at the Pentagon we had probably a better understanding and dialogue than we had ever had before, and I appreciate your forthcoming attitude. I cannot tell you how much I appreciate the fact that you are here to give us your guidance as we make some very important decisions in the future.

There are three basic things that I want to touch on today in my questions, and I will outline them to you. Then maybe we can conserve time on them.

First, I want to return to the B-1 and the B-2 issue, then I want to briefly talk about the MX ICBM modernization program and the Midgetman and also to get your brief reflections on the newspaper story this morning with regard to the Air Force problems as pointed out by the GAO. What, if anything, do you know about that?

Let us start first with the B-1 and B-2. I think it is safe to say that some of the people today that are running around suggesting that we should cancel the B-2 program or only buy 12 or 15 of them simply do not understand the strategic importance of the B-2, if the B-2 works and jumps through the hoops that this committee has set forth for it before we would go ahead with the recommended additional sizable purchases.

Since you were the assistant Secretary before you were the Secretary of Defense, you were very much involved in both the B-1 and the B-2 programs. I would first point out that those who are talking about canceling the B-2 today because of the developments in Eastern Europe which are most astounding and certainly most welcome, they forget to realize that as of now we have $23 billion invested in the B-2 program.

Now, whether that is good or bad, we have got that much money invested. I think it would be the height of fiscal irresponsibility and the height of ignoring the role the B-2 could play in improving—there is so much noise going on, Mr. Chairman, I can hardly hear myself.

It seems to me that we had better do a better job of selling the B-2 program for what it could do in the future in our modernization of our Triad, and you have touched on it.

I suspect that when we built the B-1 bomber and for the clarification of all the committee members, I remember extremely well several years ago when I asked then-Secretary Weinberger what would be the effective penetrating usefulness of the B-1 if we went ahead and built it, after consultation with his top officers he said 1992 from what we knew then and what the Soviets were doing.

I can only say that if we did not know that the B-2 was coming on down line, then undoubtedly the purchase of the B-1 would have been more than 100, would it not?

Mr. CARLUCCI. Yes. We deliberately configured the two programs together. To be candid with you, I was one of the participants. I wanted two programs.

Now, I have seen since people's statements that that was wasteful. My experience convinced me that putting all your eggs in one basket, dealing with one contractor on one program, particularly a program as innovative as the B-2 would have certainly led to serious procurement problems, and I doubt we could have gotten the B-2 on line sufficiently quickly—well, I know we could not have—to cover what we saw as the existing gap. You have to take yourself back to the situation in 1980 and 1981 when we were facing a very real and increasing Soviet threat with a much reduced military establishment and strategic programs that had completely atrophied.

So, as we debated the merits of these two programs, we finally concluded that we should have a reduced buy of both programs and hedge one against the other so that if one did not pan out or if we had contractor problems with one, we could easily shift to the other.

Senator EXON. Let me move ahead, then, to the MX modernization and the Small ICBM. During your tenure as Secretary of Defense it was my judgment that you felt the first priority should be the rail garrison deployment of the MX and that the Small ICBM should be at least a follow-on program. Is that an accurate assessment of your views and do you still hold that view?

Mr. CARLUCCI. That is an accurate assessment of my views. I felt very strongly that we should take the MX out of the fixed silos and put them on rail garrison as the first priority and then, if we wanted a larger force, build some follow-on Rail Garrison MX missiles.

I concede the merits of the Small ICBM. Indeed, I have had some discussions with members of this committee on that, particularly from an arms control standpoint. But, clearly, an additional expenditure of from $25 billion up, whatever it turns out to be, is very difficult to fit into this budget.

Nonetheless in deference to the fact that many Members of Congress were interested in the Small ICBM and in deference to the fact that it was the last year of an administration and acceding to the argument that the incoming administration ought to have at least the right of choice, I put enough money in the budget to maintain the Small ICBM program.

Senator EXON. Let me then turn to my last question. I assume you saw the newspaper story this morning with regard to the GAO report on what was described in the newspaper at least as gross mismanagement by the Air Force and gross understatements of estimated costs.

Mr. CARLUCCI. Yes.

Senator EXON. Since you were one who worked in the Pentagon for a long time, you must have some view as to whether or not that story is, in your opinion, accurate, adequate or overdone.

Mr. CARLUCCI. First of all, I have not read the GAO report. The first I knew about it was when I saw this article in the paper. I see the Pentagon is protesting it. I have not talked to anyone in the Pentagon about it.

When I came into the Pentagon in 1981, we made an intensive effort to do proper estimating. We reinforced the CAIG process. We had independent cost assessments. We went to such programs as baselining. A lot of attention was paid on getting proper estimates. Indeed, where our service differed from the CAIG estimate, the burden of proof was on the service.

I think the outcome speaks for itself. As I recall, if you take the SARs over the past 4 or 5 years, the cost escalation has gone way down from what it was when we first came into office. I think then it was something like 9 or 10 percent. We got it down to close to zero. I do not know what it is right now, but I know this committee has done some research on it. The fact is we did bring down the costs.

Now, there may be accounting flaws in the Air Force. I have no idea. That was certainly not brought to my attention when I was there.

Senator EXON [presiding]. Thank you, Mr. Carlucci. My time is up. Senator Wallop.

Senator WALLOP. Thank you, Mr. Chairman.

Mr. Secretary, I am glad to welcome you back, and I appreciated the thrust and general content of your statement.

As you look at the world today, there is reason for a good deal of celebration. There is also reason to at least be cautious. Post-World War II Soviet policy has sought unremittingly to separate Germany from NATO, and it would almost appear that that is within reach, that we may even negotiate that way.

What would be your view of that?

Mr. **Carlucci**. I feel very strongly that we need to keep Germany in NATO. Without Germany there is no NATO, so you are really talking about dissolution of NATO.

Senator **Wallop**. Without Germany in NATO, there is no U.S. presence in Europe either, is there?

Mr. **Carlucci**. That is correct. That is why it is important to maintain NATO. NATO is the heart of the Atlantic alliance. That is another strong argument for maintaining some troop presence in Europe.

Senator **Wallop**. I think you would also agree that generally speaking history shows that when the United States withdraws trouble grows in the world and when the United States is once again involved, it is only more expensively both in dollars and blood.

Mr. **Carlucci**. I think we only have to look at the history of Central Europe which has cradled two world wars to indicate the concern that we ought to have and the need for a continuing presence. I absolutely agree with you.

Senator **Wallop**. Well, when we see the mounting chaos that is reported in the Soviet Union, I think it is also well to remember that in Azerbaijan—where the nationalist group had ousted the Communist government—the reason for Soviet involvement was not for the sake of stability but for the reimposition of Communist power within that republic.

Mr. **Carlucci**. I think General Yazof was chastised for making that point publicly.

Senator **Wallop**. I know, but it was too late to put it back in the box. But if we are to believe that the possibility of great turmoil exists within the Soviet Union.

We must ask ourselves how secure is their government's hold on the nuclear trigger?

Mr. **Carlucci**. Well, I think the possibilities of accidental launch are small.

Senator **Wallop**. Yes.

Mr. **Carlucci**. The political issue, however, is a very different issue, indeed. Despite all the glasnost that we are seeing, we have very little insight into the inner workings of the Kremlin, who actually makes the decisions, how they are made, and what other groups have power or the groups that are gaining power. We have certainly had enough historical experience with changes in the Soviet Union to recognize that power can shift very quickly in that society. It is anything but a stable situation.

While they are talking about democracy, all rights still flow from the state. I do not think this is out of deference to somebody like Thomas Jefferson. I think it is really a political tool to enable the current leadership to restructure their society so that they can maintain big power status. Gorbachev has been quite open about that. Every other week he says I am a dedicated Communist, and he goes on to say unless we restructure we are not going to be a big power. Glasnost and perestroika are his tools. They are not inalienable rights.

So it is a society that is very volatile at this point in time, and we do not know who will emerge with the capability to control strategic weapons. This is the principal argument for maintaining our own strategic deterrent.

Senator WALLOP. That is a statement with which I wholeheartedly agree.

Where, then, in addition to the strategic offensive capabilities does a strategic defensive capability enter?

Mr. CARLUCCI. I find that concept extremely attractive. I will be quite candid with you. I think we have emphasized the deployment issue too much to the detriment of the program. Obviously, you cannot have a program unless you have some utility in mind at the end. Nobody wants to have pure research, although the research itself, as this committee well knows, has great benefit both in the military area and as a civilian spinoff.

I think we are really looking beyond the year 2000. I know the Department of Defense will tell you we can deploy it in 1994. I have to say I do not think you are talking about deployment until past the year 2000. In this new world that we are talking about, surely a strategic deterrent based purely on defense is a very attractive concept. As you know, Senator Wallop, it is also a deterrent that can be used for other parts of the world.

So it is really an extremely attractive concept. As I understand it, the scientists are now virtually unanimous in saying there are no show stoppers. Not everyone agrees we ought to have it, but there are no technical show stoppers. So it is really a question of the pace at which we ought to proceed.

I think it is worth continuing with a viable program, and to have a viable program you have to have some kind of a ramp-up.

Senator WALLOP. Thank you, Mr. Chairman. My time is up.

Thank you, Secretary.

Chairman NUNN. Thank you very much.

Mr. Carlucci, did I understand you to say that you believe in a deterrent based strictly, purely on defense, meaning we would have no nuclear weapons?

Mr. CARLUCCI. I think a concept—and I am talking past the year 2000—where your deterrence would be, I should not say solely on defense, but I think the idea was always that we move increasingly to a deterrent based on defense. I would not argue at this point in time that we ought to take nuclear weapons down to zero. Clearly not. We can move increasingly to a deterrence based on defense as SDI becomes increasingly feasible.

Chairman NUNN. Senator Shelby.

Senator SHELBY. Thank you.

Mr. Carlucci, can we focus just for a minute back on strategic Triad and the cost of it? If we need the B-2, which I believe we do, as one of the legs, and we have the Trident as another leg, that leaves the MX which is still vulnerable. Therefore we need to spend money on strategic modernization. I know you are not over in the Pentagon now, but you were there a long time.

Can we afford not to put the money into our strategic weapons? I am talking about now, not the year 2010, but in between. There is a big gap.

Mr. CARLUCCI. I think we have to put money in our strategic weapons for two reasons. One, as we have already discussed, the

Soviets continue to modernize their strategic forces, and we need it, if for no other reason, for negotiating leverage and deterrence.

Second, in terms of value, as this committee knows, it is the best value for your dollar.

Third, contrary to the popular impression, it is a relatively small proportion of the defense budget. Last time I looked, it was in the neighborhood of 15 percent. It had not escalated markedly during the Reagan years, so it is extremely cost effective. If we are going to have a smaller defense establishment and if we are going to have to cope with Soviet strategic forces, then strategic forces are a good value.

Senator SHELBY. How important is it, considering what the Soviets have with their rail garrison or what we call mobile missiles for us to move forward with the MX Rail Garrison?

Mr. CARLUCCI. I think it is extremely important for us to move forward with the Rail Garrison. As you point out, they continue to deploy the SS–24 in both a fixed and a mobile mode. They are also deploying the SS–25. These two are extremely capable and extremely threatening missiles. We need to move forward with our own programs. Leaving MX in fixed silos is a tempting first strike target.

Senator SHELBY. And a terrible mistake.

Mr. CARLUCCI. I think it is a terrible mistake, yes. I am strongly in favor of getting them out of the fixed silos. That is really all we are talking about in this budget, as I understand it. I did not put the budget together, but my understanding is we are talking about $5 billion to build trains, not missiles but trains.

Senator SHELBY. Thank you, Mr. Chairman.

Senator EXON [presiding]. Thank you, Senator Shelby. Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman.

Welcome, Mr. Carlucci. I have long regarded you with high esteem and have enjoyed our opportunity to work together. As we have noted together on several occasions, you and my father had a chance to work together.

Mr. CARLUCCI. I have great admiration for your father.

Senator GORE. The feeling is mutual. He still speaks very, very highly of you.

I want to explore two subjects, the first just briefly on troop levels in Europe. You have referred to the future of NATO and the need for a rationale to support continued U.S. troop presence in Europe.

It seems to me that all of this talk about influencing the Europeans and stabilizing the situation in Europe is well and good but sometimes obscures the fundamental issue for NATO.

Is there a land-based military threat? Is there a land-based threat in Europe? Is there a military role for NATO to play? If Soviet troops are gone, completely withdrawn from Eastern Europe in the future and if later this year East and West Germany are unified into a new entity, a resurgent unified Germany, then what is the military rationale for NATO troops in Europe?

Mr. CARLUCCI. I understand the question, and it is important to have a military rationale. I think we also have to recognize that

NATO is going to have to become increasingly a politically oriented organization.

I do not think you can completely dismiss the Soviet threat. While the Soviets do not have the Warsaw Pact as an asset, if indeed it ever was an asset, they still have enormous military capability. They are still relatively close to Central Europe. They still have a very heavy dependence on armor, and they can roll very quickly across Eastern Europe.

Moreover, I am not sure that the 380,000 Soviet troops in East Germany are going to be withdrawn tomorrow. I think the Soviet Union is going to have practical problems——

Senator GORE. No, I do not want to debate the hypothesis. Given the hypothesis, if those events occur.

Mr. CARLUCCI. If those events occur, the threat is dramatically reduced, but it is not eliminated.

Senator GORE. But if those events occur, what is the military rationale for American troops in Europe?

Mr. CARLUCCI. There are two rationales. One is to deal with a resurgent Soviet threat which, while much diminished, is nonetheless there. If you get a power shift in the Soviet Union or a shift in policies, one could foresee Soviet troops rolling again across Eastern Europe.

Senator GORE. To impose capitalism on some country that was not moving fast enough?

Mr. CARLUCCI. Well, let us see if the Soviet Union ends up as a capitalist society. As I mentioned, Gorbachev keeps saying every other week he is a Communist.

Senator GORE. It is really hard to believe now that out of ideological fervor they will see a mission to impose their collapsing system of ideas on yet another client state.

Mr. CARLUCCI. I agree with that, but you use the word "now".

Senator GORE. I understand, and I agree with you that we deal with the situation as it exists even as we plan for contingencies, which do seem to be emerging.

Let me shift gears now and talk about strategic modernization. Would you be prepared to say that a START agreement coupled with U.S. modernization involving only MX rail mobile would be a stable agreement?

Mr. CARLUCCI. No. I think you have to have a bomber modernization program.

Senator GORE. With a bomber leg and with MX alone, would you say that the first strike capability concerns that have dominated the nuclear debate for almost 50 years could then be discounted for the duration?

Mr. CARLUCCI. You are talking about MX in a mobile mode?

Senator GORE. Correct, in a rail garrison. Or would you argue that it would have to be supplemented by an SDI system?

Mr. CARLUCCI. No. I think it could stand on its own merits as a stable agreement. I do not think SDI has to be part of a START agreement. I think SDI becomes more effective under a START agreement but without a limit on the fast fliers.

Senator GORE. But in your view, no strategic defense would be needed to protect U.S. strategic assets if our only land-based system was Rail Garrison MX?

Mr. **Carlucci**. I think you would have an adequate deterrent.

Senator **Gore**. Would the relationship be stable?

Mr. **Carlucci**. I think the relationship would be stable for a fixed period of time, 10 years or as long as you might have the life of some of these weapons systems. I envisage SDI as a program fairly far in the future as a very attractive concept which can supplement what we might do under a START agreement.

Senator **Gore**. If START is signed in June, which I expect will occur, we will have to begin work on a follow-on agreement immediately. In that follow-on, do you like the idea of being totally reliant on large MIRVed missiles, or should we not aim in the final weapon interrelationship to get rid of large MIRVed missiles?

Mr. **Carlucci**. I agree with your premise. It would be much nicer to get rid of MIRVed missiles. I think you are going to have a very difficult time getting the Soviets to do this.

Senator **Gore**. If I may interject this comment, as my time has expired, the Soviets have clearly signaled their desire to do precisely this. They have begun their own single warhead mobile system. They have repeatedly recommended an in-state and a follow-on to START of a few hundred single warhead mobile missiles on both sides. Gorbachev himself has referred to those projections on numerous occasions. Yet, we have put up a roadblock in the negotiations to moving in the direction that they have clearly signaled they would like to go.

Mr. **Carlucci**. It is very difficult to understand why they continue to deploy the SS–24 at the pace which they are deploying them.

Senator **Gore**. They have recommended trading the SS–24 for the MX privately, not in talks. You know yourself that those discussions have been quite frequent and, indeed, the chairman of this committee has recommended that option as well.

Mr. **Carlucci**. They may be having side conversations. I continue to believe it is going to be very difficult to negotiate that.

Second, I think you have to have the Joint Chiefs look at the military sufficiency of a follow-on agreement very closely because they felt very strongly at the time we developed our START negotiating position that 50 percent was the absolute minimum that they could take and still have sufficient military capability.

Third, I think if you do this you have to be absolutely prepared to deliver on the Small ICBM, and our experience in getting missiles of any kind, MIRVed or not MIRVed, through the Congress has not been a terribly happy one.

Senator **Gore**. I will conclude with this comment, Mr. Chairman.

With the administration's support and with the outstanding success by the Air Force in bringing the program to the point where it is now and in reducing the cost dramatically over the last few years, with those contingencies I think that approval in the Congress would be very predictable; but lukewarm, iffy support is a different kind of a story.

In any event, I appreciate your appearance here today. We always learn from you when you come before the committee.

I appreciate it, Mr. Chairman.

Senator **Exon**. Thank you very much, Senator Gore.

We are in the second round now. Let me start the second round by following on with the discussion that you have had with Senator Gore on ICBM modernization.

I think we should get our numbers straight and try to recognize the shoes that the Soviets walk in, vis-a-vis what our shoes are in this area.

At the present time we have confirmation that the Soviets have 308 SS–18s and at least 40 variations of the SS–18, which is called the SS–24 missile, their rail garrison equivalent. So that gives them roughly 350 multiple-warhead missiles of 10 each, compared with the United States of America's 50 in that category.

Now, of course, we have to factor in somewhere along the line our aging Minuteman. The aging Minuteman is still a force to be reckoned with, as far as the Soviet Union is concerned.

When we talk about what is going to happen with START, and we all think and hope that that is going to take place, and then some kind of follow-on, it seems to me, if we are talking about trading off 50 MXs, either in fixed silos or on mobile rail garrison, the proposition that we are now going into that, if, for example, we could ever get the Soviets to agree, that we would scrap our 50 MXs, wherever they are and whatever they are, for 350 of their SS–18s and variations thereof, that would be a pretty good swap.

But I suspect, walking in the Soviet shoes, they are not going to do that.

Is that an unfair comparison of the difficulties that face us, and why this Senator believes we should, at a minimum, move ahead aggressively with the Rail Garrison MX, regardless of whether or not we are going ahead with any other system?

Mr. CARLUCCI. The impression I have is that the Soviets are very much committed to mobile missiles. And it would be very hard to get them to back off from their new mobiles programs.

I think we have had a spectacular breakthrough in getting the 4,900 number.

The START agreement clearly works in our favor, because it puts a limit on the fast fliers, and a limit on the heavies.

So we have negotiated very well so far.

I think what you are talking about with the 50/350 trade is getting some kind of side agreement on mobiles. And I think that is going to be very difficult to get.

Senator GORE. Would the chairman yield on this point?

Senator EXON. Yes, go ahead.

Senator GORE. Thank you. I appreciate that very much.

Just briefly, I do not think it is accurate, with all due respect, to describe the SS–24 as a variant of the SS–18.

Senator EXON. You do not?

Senator GORE. Not at all.

The SS–18 is a completely different category of missile, far larger. And if one looks at the 24 and the MX as a potential swap, although the numbers of the SS–24 missiles, I guess, is classified, and sources and methods are involved I guess, the number is not out of line with what we have in the MX program.

How we deal with the 308 SS–18s is a different question, and one which has obsessed American strategic policy for 15 years now. And, indeed, it is a tough nut to crack, but some fissures have been opening up in the talks. And with them acting like Crazy Eddie, the used car dealer, make me a deal, and accepting practically anything that we offer, I think that we ought to start offering some swaps like that.

Senator Exon. Well, it seems to me that if you want to talk about the fine points of differences on the SS–18 in silos and the improved version of that, which I believe is their SS–24, they both spit out 10 reentry vehicles, and so we are talking about fine-line points.

What I am trying to get to is that, given the fact that they have 308 SS–18s and 40 or 50 SS–24s, call them what you will, they are essentially the same potential threat to the United States. It just seems to me, when you are talking about this, you have to recognize that they have 350 of these and we have 50. And that puts us in not the best bargaining position.

And I frankly think that putting those on the rail garrison mobile system would be some step toward equity, and get us in a better position, if you will, to deal with the Soviet Union.

Now let us talk about the Small ICBM. I happen to feel that we may indeed have to build a Small ICBM at some time in the future, unless we can come to fair, reasonable and verifiable arrangements with the Soviet Union, because of the fact that we have the aging Minuteman force out there.

So I think the differences of opinion by some Members of the Congress on this matter is to whether or not we are going to simultaneously build a Small ICBM along with the Rail Garrison MX. A follow-on argument would be, if I were an all-out believer in the Small ICBM, then I might be fearful that if we would deploy the 50 MXs on the Rail Garrison, that might be sold as the reason not to build a Small ICBM.

I think we should consider research and development on a continuing basis on the Small ICBM, either as a mobile Midgetman that we have always envisioned, or possibly as a fixed silo based to help out as our Minutemans become more and more aged.

Let me turn to the matter of nuclear forces in Europe.

Given both the military and the political problems that we face in this area, Mr. Carlucci, what chances do you think there are of us having rights with our NATO allies to deploy what type of nuclear devices in Europe? And what do you think the chances are for the continuation of some type of nuclear forces in the conventional ground warfare area?

What is our future in that?

Mr. Carlucci. Well, of course, the only strategic forces that you are talking about are the submarines.

In terms of the ground forces, I do not think we can think of the follow-on to Lance, in practical terms, as a weapon system that would be acceptable to the Europeans at this point.

So the follow-on to Lance, I understand that the administration has proposed it——

Senator Exon. It is in the budget. What do you think about that? That is what I was getting to.

Mr. Carlucci. It is in the budget, but my understanding, while I have not discussed this with the administration, my understanding is that it is in the budget simply because it is in the NATO program.

But I would be very surprised if you would ever get the Germans to agree to deployment of a follow-on to Lance. So, for all practical purposes I think it is dead.

I think you are talking about—the most practical weapon is the stand-off weapons from aircraft, the TASM. I think we need to continue with that program. I am very much afraid, though, that what all this adds up to could well be the third zero.

After we conclude a START agreement, a conventional agreement, or a CFE agreement, I expect the Soviets will come in very fast with a proposal on SNF, which will be almost irresistible to our European friends, and then come very close to the third zero.

So I think we need to really be on our guard against that.

I think our forces in Europe are going to continue to need some kind of tactical nuclear capability, and maybe the TASM will do it. But I do not think they should be there without the full range of weapons to defend themselves.

Senator EXON. Thank you. My time is up. Senator Gore.

Senator GORE. Thank you very much, Mr. Chairman.

I want to begin by agreeing with you that debate on these fine points is far less significant than the search for common ground. I think you just enunciated some common ground that is extremely valuable.

And I would reiterate to you, Mr. Carlucci, that under the administration's current plan, we really are not simultaneously building the MX Rail Garrison and the Midgetman. The program calls for sequential deployment with movement on the Rail Garrison first, and then, as we are in the midst of the START II follow-on negotiations, a movement on the small mobile ICBM.

And the potential for using it in a silo base as a follow-on to the Midgetman III in the interim is an interesting idea that I think deserves further exploration.

I wanted to comment on what I thought was an extremely helpful comment by the chairman there.

Mr. CARLUCCI. Senator Gore, if I may make one point.

Senator GORE. Yes.

Mr. CARLUCCI. I have never opposed the Midgetman as a system, as you know.

Senator GORE. Yes.

Mr. CARLUCCI. I have simply raised the question of budget priorities and affordability. And if a way can be found to put it in the budget, I have no objection to it. Indeed, it has many advantages, I quite agree with you.

Senator GORE. What about the budget problems with SDI and the B–2?

Mr. CARLUCCI. That is a big budget problem. The B–2 is of course a big consumer of resources, although I think that has been greatly exaggerated, because nobody ever seems to pay any attention to the fly-away costs on this system, whereas we use it on all other systems.

And my understanding from the Pentagon is that the proportion of the budget consumed by the B–2 is no greater than the proportion that was consumed by the B-52 at the time, or the B-1 at the time.

Moreover, I think it has great utility, as I indicated earlier, not only in the strategic area, but in the conventional area, and is absolutely essential to the conclusion of a successful START agreement.

SDI, you really do not get the cost escalation until you begin to talk about deployment. And, quite frankly, I believe that the talk about deployment is and always has been premature. And I think it has been damaging to the efforts to move the program forward.

Eventually, you are going to want to make a deployment decision. But I do not think it is advisable to be talking about making a deployment decision next year. Because, first of all, I do not think it is going to be feasible.

Senator GORE. Well, in many respects, we have moved beyond that debate. And I respect the role that you have played in steering the evolution of that program.

Just a short follow up on the B-2. Whether you use fly-away cost or the figure that is commonly used, it is an expensive plane.

Mr. CARLUCCI. Yes, it is an expensive plane.

Senator GORE. The debate is continuing on it. But the assertion that it will play a conventional role also has a budget dimension. Can you conceive of the U.S. risking a $500-million airplane on a raid on Tripoli?

Mr. CARLUCCI. Yes.

Senator GORE. You can?

Mr. CARLUCCI. Yes, sir. I would have used it.

If it is a question of trading off lives against machinery, I will go for the lives everyday.

Senator GORE. What were the losses in that? We lost how many planes? Did we lose one plane with two lives?

Senator EXON. We lost two I believe, did we not?

Mr. CARLUCCI. I cannot recall. I think it was one.

Senator GORE. If the plane we had lost was a $500-million plane, then the aftermath of that conflict would have seemed different.

Mr. CARLUCCI. Well, if that is the case, Senator Gore, I am disappointed in the American people. Because surely a life has a higher priority than a piece of machinery.

Senator GORE. Well, the aftermath was affected most of all by the loss of life. But the idea that a Third World conflict could result in massive expenditures in 1 day to that degree, I think it would tend to influence policy-makers in the direction of holding back planes that were that expensive from conventional missions, where the chance of losing them was present.

Mr. CARLUCCI. Well, as I search back in my mind and go through the various experiences I have had with contingencies in which the military might be involved, it occurs to me that in many cases we deploy forces for a much longer period than is needed to deal with the situation, and that results, overall, in a much higher cost.

If you have the right piece of equipment and can put it into a dispute rather quickly, you have savings in the long run.

Moreover, there is clearly a tradeoff which has not been developed yet, between this kind of far reach that we would have with our Air Force, and the need to maintain an on-station maritime capability.

Senator GORE. If we are going to use the B-2 in a conventional mode, should we cut back on tactical aircraft and use the B-2 instead?

Mr. CARLUCCI. I do not think you get the range from tactical aircraft that you can get from the B-2. The B-2 can fly very high. It can go for extremely long distances with a very heavy payload. That is the advantage of it.

Senator GORE. Obviously, I would not recommend that, but then I do not see the B-2 as flying too many conventional missions. I see it as a deterrent, primarily.

Mr. CARLUCCI. Well, I am not trying to justify it purely on a conventional basis. What I said in my statement is that the B-2 is attractive because we have traditionally been strong in the air-breathing leg of the Triad. It is, arguably, and I think it is, the most stabilizing leg. And it is the leg that has this dual purpose. It can be used in a conventional role.

Senator GORE. Let me conclude, Mr. Chairman, by saying that I want to reiterate my respect for this witness. I really appreciate the dialogue that I have personally enjoyed with you.

And on the whole strategic subject, your basic approach is not very different from the one that Chairman Aspin, over on the House side, enunciated some time back, that late deployment of SDI would give us the ability to deal with ICBM modernization and even the B-2, to some extent, if we make that decision.

But the administration plan for early deployment impedes this concept.

I do not think they really still believe that. I think there is kind of a lingering residue from the Reagan administration approach to SDI.

Mr. CARLUCCI. Well, I was in the Reagan administration in the last year, and I was not arguing for early deployment.

Senator GORE. Well, the early Reagan administration.

Mr. CARLUCCI. I think it is a mistake to push any program beyond its capabilities.

Senator GORE. Yes, I understand.

Mr. CARLUCCI. And I am very much a supporter of it. I think it is an extremely attractive concept. I think SDI is developing some very valuable technology. And I think eventually we will have that option.

Senator GORE. I saw your tenure as kind of part of the transition, really. And I say that respectfully, truly respectfully.

Thank you very much, Mr. Chairman.

Senator EXON. Thank you, Senator Gore. And thank you for your remarks.

Let us try and put this whole matter of cost in context.

I think we can all take considerable pride, and certainly you had a key role in this as Assistant Secretary, and then Secretary of Defense, Mr. Carlucci, with the peace through strength concept.

Now we can look back at that and we can say, boy, we may have spent more money than we should have. We should not have built this system or that system. But, essentially, the peace through strength effort was one of the key reasons that I think we have seen the demise of Communist domination in Europe. And also, possibly, the beginning of the unraveling of doctrinaire communism in the Soviet Union.

And that is a significant victory. And I think that victory would not likely have happened, we will never know, except through our military buildup. And maybe we have spent too much money.

But I thought of that when you were answering some of the questions. We did all that without the loss of a single American combat life in Europe. That is a significant accomplishment. I think, sooner or later, it will be recognized in history that our overall deterrent did indeed work.

So we can take some credit for that, and I give you a major portion of the credit for that, Mr. Carlucci.

I simply want to add that, as we move forward now, we must not ever hesitate, and I was so pleased to hear your statement that you would have used the B-2 as a single aircraft, with no more than three crew members at risk, to carry out that operation in Libya.

Now it is true that we lost one aircraft and two crew members, an FB-111, I believe. But we also had at risk an awful lot of other airplanes and two complete carrier battle groups.

Now that was a tremendously expensive operation. I do not know whether it amounts to millions of dollars, but it was a tremendously expensive operation, and well carried out.

If one B-2, whether it costs $500 million or $600 million, with a two- or three-man crew, could have done that job, it looks to me like it would have paid tremendously handsome dividends. And, as a former businessman, that makes an awful lot of sense to me.

Mr. CARLUCCI. I agree with you, Mr. Chairman.

Senator EXON. My last question, Mr. Carlucci, is one that was left over by the chairman, and he asked me to ask you this question, so I am going to read the question to you, because I think it is a very good question and we would like to have your response as best you can.

In my view, the defense buildup of the 1980s would have been much more efficient with a more stable, predictable level of increase in the defense budget, rather than 5 years of very large increases, followed by 5 years of real decreases.

Now, given that, as we face a period of continued real declines in defense spending, can you tell us what you might think would be the appropriate rate of decline in the defense budget and what that should be? That is difficult, but 2 percent, 5 percent, 10 percent.

What criteria, then, would you suggest we use to plan for and manage this decline, which is certainly going to take place?

And I guess the key role here would be what priorities would we set in setting priorities and discussing our roles and missions in great depth, as the best way to make the sound decisions?

I have suggested that during this period of cutback to scratch out or carve out a peace dividend, that everyone is talking about that we should do this using a surgeon's scalpel, rather than a machete. Because I think if we go in with a machete approach we are going to make some very costly mistakes, from the standpoint of future national security, and costly mistakes, indeed, dollar-wise as well.

Can you give us, from your previous expertise, what percentage you would like to see over a 5-year period?

I have suggested, for example, that until we decide how we are going to do this and get our roles and missions clearly defined, then and only then can we make the decisions in an intelligent cost-wise basis.

I have suggested that while 1 year might be not as much of a reduction as others, I would think that we could likely see somewhere between a maximum of a 3 to 5 percent reduction from real numbers, and that is after inflation, in the defense budget.

But, on average, could you give us what your thoughts might be in this area?

Mr. Carlucci. To give any kind of an accurate estimate you need two things. One is implied in the premise of the chairman's question. You need to know how stable the defense budget is going to be.

And I agree thoroughly with the implication in the chairman's statement that if we have stability in the defense budget you can do a lot more for a lot less.

I know this committee has endorsed a multi-year budget. If you had a 3- or 4-year budget for procurement, I would wager you could save $10 billion a year without touching a single airplane, tank, soldier or sailor.

I once produced a chart, I believe, for this committee, showing the peaks and valleys of the defense budget in real terms from 1970 on. And the chart concluded that had we had just a straight-line budget from 1970 in real terms, we would be just as well off. Indeed, we would be better off, because it would have been predictable.

So there is an enormous tradeoff here. If the Congress is willing to give the Defense Department a stable budget, then we can, as I say, do a lot more for a lot less.

The second thing that you need—and I hate to keep coming back to this—but you need an overall assessment, first, by the administration, and jointly, with the Congress, and some of it would have to be done in closed session, of what our new strategic interests are around the world.

How important is Eastern Europe going to be for us? What is the likely evolution in the Persian Gulf? What is the future of the Korean peninsula? Points that have all been of concern to us. What resources might be required in Central America?

And while we all have opinions on these subjects, I do not see anything that lays this out systematically in strategic terms.

Absent these two factors, anything that I throw out would be nothing more than a guess. Indeed, I think the figures you have thrown out are not unreasonable, but I think one of the troubles with this debate is everybody is coming up with a percentage cut, or systems that can be cut. And I do not see that they are measuring these percentage cuts against any loss of capability or any mission that is going to be abandoned.

I read an interesting article in one of the magazines the other day, I guess it was Time, where somebody told us all what weapon systems could be cut, castigated the administration for not having a strategic plan, and listed all the weapons that they thought could be cut, but did not measure that against any strategic plan, and did not tell you what we were going to give up, or what interest could no longer be protected around the world.

It is a process, and it is a process we ought to get on with as soon as possible. And if you can guarantee some stability, if we can identify these interests, sure, I think we can take the defense budget down substantially. And I do not sense that our military establishment is fighting it.

The Pentagon itself has come up with 2 percent. Okay. With stability and with strategic identification of interests around the world, maybe that could be increased. But I think it would be a mistake for me to throw out a figure here, because quite frankly, that will be the story. And I do not have enough rationale to give you that kind of story.

Senator EXON. Let me ask you a specific area that we are undoubtedly going to be coming back to. We have 14 carrier battle groups, and we talk about reductions in defenses. We see the cut basically from the Soviet standpoint, and what they are suggesting and what they are talking about and what they hope they are going to do, is to make significant cutbacks in conventional defenses.

It seems to me, with the superiority that we clearly have in carrier battle groups, that it might be well for us to not try and hold sacrosanct all 14 of those carrier battle groups, not only from the standpoint of showing the Soviets that we are ready to make some curtailments, but also the money that could be saved from some reduction, one or two of our carrier battle groups.

Do you think that is something that makes sense and should be pursued?

Mr. CARLUCCI. Well, I think it should be pursued in conformity, once again, with the identification of what it is we are going to give up. Is it going to be a presence in the Mediterranean, a presence in the Indian Ocean? Are we going to reduce the number of ships in the western Pacific or in the Atlantic Fleet? And what is the mission that we are going to give up as we reduce these carrier battle groups?

Furthermore, I do not agree with the implication of your statement that there is a symmetry here between us and the Soviet Union.

I once said to General Yazov, because he and General Akhromeyev were constantly badgering us in the series of meetings that we had about reducing our Navy. And why do not we get into arms control negotiations on naval forces?

I finally said, General Yazov, when you are prepared to negotiate away your highways and your railways in the Soviet Union, then I will be prepared to negotiate a reduction in our Navy.

But we are a sea power, you are a land power. You are strategically self-sufficient, we are not. We need our Navy. We need the sea lines of communication.

I remember at one point, he said to me riding in the back seat of the car, Mr. Secretary, why do not you pull your naval forces out of the Persian Gulf and I will pull mine out?

I said, General Yazov, how much oil do you import from the Persian Gulf? What strategic interest do you have in the Persian Gulf? What need do you have for aircraft carriers?

There is no symmetry here. They do not have a need for those forces at all. They have no need for force projection. We have an enormous need for force projection.

I am not saying a carrier battle groups should be sacrosanct. They ought to be looked at in the light of strategic interests and budget priorities just like anything else. But I do not think they should be equated with Soviet naval forces.

Senator EXON. I want to salute you for your great leadership in the base closing area. We are back into it again. We have got to make more cuts in unnecessary military bases, overseas and at home.

I think it is interesting to note that most of the play that we see is from those who want to emasculate some of the strategic programs, while the Soviets are continuing to build theirs up. The newspapers love to play on the more visible expensive weapon systems, the B-2 as an example. They seem to fail to recognize that the whole strategic program is only 15 percent of our military budget.

But I do not see the same fervor for closing unnecessary and expensive, worthless installations.

What do you generally think of the proposal made by Secretary Cheney with regard to the closing of the bases? I am not asking you do you agree with every one of them, but I assume that you think that he is continuing to move additionally in the same direction that you initiated.

Mr. CARLUCCI. Well, the Soviets are a diminished threat, clearly, but they are still a more significant threat than the Indians. And some of the bases were built to cope with the Indians. So we need to reduce our infrastructure as we——

Senator EXON. Are you telling me that the Indian threat has significantly deteriorated in the United States?

Mr. CARLUCCI. Yes, the Indian threat has significantly deteriorated. Of course, I am being facetious. But one can point to bases that were established for that purpose.

I think Secretary Cheney is right in saying that as you take down forces you have to take down infrastructure. And I am certainly in no position to second-guess him on base closures.

As you know, the Congress has erected a series of hurdles which do not make it impossible to close bases, but certainly it makes it impractical to close bases, because you have to run through a process that takes forever and is very innervating.

The only way this can be done, quite clearly, is in cooperation with the Congress. I had a certain formula which the committee worked with me on, as was mentioned earlier. It worked. Whether that is a formula that should be replicated or not, I cannot say.

The Base Closure Commission itself said that this authority ought to be given to the Secretary of Defense. And obviously, that is desirable, because it is a national security issue.

The Congress, unfortunately, looks upon it as a political issue. So you have got to make the adjustment between those two goals, national security needs, or the reduction thereof, and the political imperatives on the Hill.

That requires working out some formula with the Congress, and I can think of nobody better to do it than Dick Cheney, who of course was in a leadership role in the Congress.

Senator EXON. Let us talk just a moment if we can about Regular forces, as opposed to Reserve forces and Guard.

There has been some discussion about the fact that the Secretary is proposing some significant reductions in some of the Regular forces, while simultaneously talking about, this year and in the out years, some rather significant reductions in some of our Guard and Reserve strength.

Generally, it has been thought that when you reduce your standing forces, you transfer some of that responsibility to the less expensive Guard and Reserve forces.

How do you feel about that?

Mr. CARLUCCI. Well, I do not think it is a panacea. You really have to have a balance between your Guard and Reserve, and your Active forces. And there are certain missions that are more easily put in the Guard and Reserve, such as combat service support.

But, while that is in the Guard and Reserve, we have not fully funded that to the point where we can meet our needs. So I do not think anyone can come up with an overall percentage.

But, as you decrease your Active forces, your Guard forces ought to go up correspondingly. Of course not.

If you decrease the mission, then your total force can shrink, and you can reexamine the proportion that might be represented by the Guard and Reserve, as opposed to the Active force.

This committee has supported a total force concept, and I think if you start saying, well, you have got a tradeoff between the Guard and the Active forces budget-wise, and simply look at it in those terms, you undermine the total force concept.

Senator EXON. Mr. Carlucci, I thank you very much on behalf of the committee. And we appreciate so much, again, you taking the time to come up and give us your valuable guidance and assistance. And we will continue to depend on you probably more than you realize.

Mr. CARLUCCI. Thank you, Mr. Chairman, it is my pleasure.

Senator EXON. Thank you very much for being here and we are adjourned.

[Whereupon, at 10:52 a.m., the hearing was adjourned.]

THREAT ASSESSMENT; MILITARY STRATEGY; AND OPERATIONAL REQUIREMENTS

WEDNESDAY, MARCH 7, 1990

U.S. SENATE,
COMMITTEE ON ARMED SERVICES,
Washington, DC.

OPERATIONAL REQUIREMENTS AND MILITARY STRATEGIES FOR STRATEGIC FORCES

The committee met, pursuant to notice, at 2:02 p.m., in room SR-222, Russell Senate Office Building, Senator J. James Exon presiding.

Committee members present: Senators Nunn, Exon, Levin, Gore, Shelby, Warner, Thurmond, Cohen, McCain, Wallop, Gorton, Lott, and Coats.

Professional staff members present: Robert E. Bayer, Robert G. Bell, John J. Hamre, William E. Hoehn, Jr., T. Kirk McConnell, Michael J. McCord, and Frederick F.Y. Pang.

Minority staff members present: Patrick A. Tucker, minority staff director and counsel, Brian D. Dailey, George W. Lauffer, John E. Mansfield, and Durwood W. Ringo, Jr., professional staff members.

Staff assistants present: Elizabeth Ann Harlow and Mickie Jan Wise.

Committee members' assistants present: Andrew W. Johnson, assistant to Senator Exon, Kenneth N. Luongo, assistant to Senator Levin, William J. Lynn, assistant to Senator Kennedy, Phillip P. Upschulte, Milton D. Beach and Donald A. Mitchell assistants to Senator Glenn, Leon S. Fuerth, assistant to Senator Gore, Jefferson B. Seabright, assistant to Senator Wirth, Terence M. Lynch, assistant to Senator Shelby, Melvin G. Dubee, assistant to Senator Byrd, James M. Bodner, assistant to Senator Cohen, Patrick F. McCartan, assistant to Senator Wilson, Anthony H. Cordesman, assistant to Senator McCain, Lee W. Whittaker, assistant to Senator Wallop, Robert M. Soofer, assistant to Senator Gorton, Charles G. Pearcy, assistant to Senator Lott, and Eric H. Thoemmes, assistant to Senator Coats.

OPENING STATEMENT OF SENATOR J. JAMES EXON, PRESIDING

Senator EXON. The committee will please come to order. We are in open session today. If it is necessary that we go into closed session, which may be necessary, I would like to inform our two distinguished witnesses today, in order to best accommodate everyone we have arranged that we would go back into the meeting room adjacent to this room and then come back in here if we decide to go back into open session.

So I would just remind you, if we get into a line of questions that either one of you feel would best be held for a closed session, I would just appreciate your speaking up and so stating, and we will try and work that out so that we can go into the adjacent room for any closed testimony that is necessary to explore the particular issue.

I just want to welcome both of you very much for this important hearing. Let me start out by stating some of the concerns that this chairman has, and then there will be a whole series of questions on the broad scope of activities in which both of you men have key responsibilities. We are anxious to hear your statements and then after that we will go to questioning.

The Senate Armed Services Committee meets today in open session to receive testimony concerning the implications of the changing threat, the operational requirements of the strategic commanders and our military strategy for strategic forces.

Our two witnesses today are both familiar figures to this committee. They are Gen. John T. Chain, Commander in Chief of the Strategic Air Command, and Gen. John L. Piotrowski, the Commander in Chief of the U.S. Space Command. Gentlemen, a warm welcome to both of you. We will hear from you in just a few moments.

This hearing will conclude the committee's round of hearings in which all of the commanders in chief of our unified and specified commands have had the opportunity to offer their views on the implications of the changing threat and their operational requirements and military strategies to meet that changed threat.

Today's witnesses are to address several issues: what effect, if any, the profound changes in Eastern Europe and the Soviet Union will have on our requirements to deter Soviet use of strategic forces; what mix of strategic forces will be required in order to continue to ensure beyond any question that deterrence will continue to apply for the foreseeable future; what changes, if any, to our strategy and our force mix may be necessary should a START Treaty be achieved in the near future, and what changes, if any, to our strategy and our force mix would enhance the stability of strategic deterrence?

Gentlemen, remarkable events have occurred since you last appeared before this committee. The pace of the events continues to surprise all of us. The proposed fiscal year 1991 defense budget before us contains no real long-term plan to guide the committee's actions.

The defense budget is going down—down this year, down next year and down the year after that. We cannot afford everything that has been proposed, and spending on strategic forces will not be exempt from these reductions. We need to understand what your priority needs and urgent programs are, in your view, and why you assign such a high priority to the ones that you outline.

There are those who say that the strategic threat is unchanged, that the Soviets are continuing a robust modernization, that at most the Soviets are adapting their modernization plans to fit the perspective of the proposed START agreement, yet if the threat of conventional war in Europe has significantly diminished, as most of us feel that it has, and substantiated by all of the testimony that we have had by the committee in this whole series of threat assessment, then this also, it seems to us, diminishes the likelihood of NATO having to exercise this flexible response strategy.

Year after year, we have been told that if attacked we would have to ask NATO political leaders for authority to escalate, to use the nuclear weapons within a matter of days. This scenario at least now seems to be far more remote, but without this scenario, I am not sure there is a credible nuclear war scenario left against which to judge the adequacy of our forces.

Another way of stating this is that there has obviously been a reduction in a considerable number of what we would propose to attack, with the new landscape that is developing in Eastern Europe.

I hope our witnesses today will address some of these issues. We will need a compelling rationale for continued spending on strategic forces in order to persuade the American public that we must proceed with our modernization plans.

Let me now invite my distinguished ranking minority member of the committee for any remarks he would like to make at this time.

Senator **Warner**. Thank you, Mr. Chairman. Indeed, I join you in welcoming these two distinguished individuals who have served their country long and with distinction, and it is fortunate that you are in the positions respectively that you occupy today.

General Chain, you have witnessed a bit more history than your counterpart, but you worked during years of the buildup and modernization of strategic forces, and now taking word from the chairman's well-prepared statement, we have to prepare to look at the priorities in this committee.

Mr. Chairman, I think you touched a very important point when you said that the Soviets have not in any way—that is, in a materially significant way—begun to slow their strategic modernization program, and the general public in the world tends to view the reduction in threat and the reduction of the hopefully conventional weapons through the treaty now being negotiated in Vienna, as in close association with the strategic forces, and they are entirely different, and there is little parallelism.

As to the point the chairman made, a credible nuclear war scenario, we all recognize that history has a way of repeating itself, and while we wish to join our President—President Bush—in supporting to the extent we can the reforms undertaken by Gorbachev, he could be gone tomorrow.

A different government, or a different leadership, could take his place and find that their most credible military assets are indeed the modernized strategic forces, and I see no reason at this time for this country to lessen its important emphasis on strategic modernization absent some progress, and I hope it will be made in START and perhaps in other arms control talks. But absent the arms control scenario I think we have an obligation to our citizens to maintain a credible and forward-looking strategic modernization program.

I hope our President, Mr. Gorbachev and others can make progress in START II, but until we see that in finite terms and until the Senate of the United States gives its advice and consent, we should not lessen the important modernization program which we now have underway.

To you, General Piotrowski, I think that as we look at the revitalization of our military—and I use that word carefully because it has got to be revitalized to perform different scenarios, different missions, with the likelihood of a major land war engagement now becoming less and less—it is the technology, it is the cutting front of space, the ability to employ mobility, and a complete new perspective as to missions and roles of the Armed Forces.

I think, again, a greater emphasis has to be put on your work in terms of our ability to compete with the Soviets, and there and again there has been no lessening of their efforts in space as it relates to their military objectives.

I thank you, Mr. Chairman.

Senator EXON. Thank you, Senator Warner. Any other opening statements by the members of the committee? Senator Gorton.

Senator GORTON. Mr. Chairman, I think that the two witnesses before us will be excellent surrogates for a set of reflections which apply to all of our armed services, but most particularly to those sections which they command.

I believe that we owe them a great debt of gratitude not only for the advice which they and their predecessors have given us over the years but for the way in which they have managed the resources which have been presented to them by Congress.

The extraordinary changes which have taken place in the world in the last year are a testament beyond argument to the success of the policies which they have advocated, and they can each feel, and all of the men and women who work for them can feel, the unprecedented contribution which they have made to the peace and security of the world.

Perhaps the people in our armed services may be the only large group for whom the reward of success will be to become smaller and have far less in the way of resources in the future after that success than they did when it was in doubt.

But nonetheless, that is precisely what is going to take place, and in many respects, as long as it is done appropriately, it is precisely what ought to take place, and it makes their job and ours even more difficult to judge in a totally different world what the nature of the threat is, what residual risks of the old type of threat remain, and how we in the United States should respond wisely to those challenges.

It is my own view that the strategic deterrent which they represent, while it is not the most expensive part of our armed services, is nonetheless one which will be subjected to the highest profile debate during the course of this year.

My own inclination is to be perhaps somewhat more optimistic than my good friend the ranking member of this committee, and to believe in very close to the inevitability of a continuation down the path which has been described in the last year or so of the Soviet Union. Nonetheless, there is a residual risk, and there is a necessity for us to be prepared against that risk.

I am inclined to believe that we probably should be engaged in a form of hedging as we look toward these future changes. It is my own tentative view, and I certainly want the counsel of these two officers as well as all of the rest that we have gotten, that perhaps in this field the two best hedges are the B-2, which is a highly flexible weapon which can be utilized for much more than simply the ultimate nuclear deterrent with respect to the Soviet Union, and SDI itself, which has changed in its direction as we have learned more through our research, and which is still going to be of considerable use to the United States against a less focused threat, even one in which a Soviet threat is almost entirely withdrawn, but in which the knowledge of nuclear power, weaponry, missilery and the like, becomes more and more widespread among medium and smaller-sized countries.

I think some of the other systems which are still in the budget which are less flexible than those two are perhaps quite justifiably more at risk, but I can simply say to you two gentlemen that you now have that peculiarly both sweet and difficult task of telling us how to give you less money because you have been so magnificently successful in the past.

Senator WARNER. Mr. Chairman, could I ask for one more minute?

Senator EXON. I would be glad to yield.

Senator WARNER. During the course of your testimony, General Chain, I wonder if you could advise the committee as to whether or not there are any enhanced risks as a consequence of the turbulence in the Soviet Union and in the area where some of their major strategic systems are located.

Has the Soviet Union taken additional security steps to protect those installations from possible overflow of this turbulence into their military compounds?

I think it is important that we look at that situation because there are some very precarious areas and one in which there is colocation with nuclear systems and turbulence.

Senator EXON. Thank you.

Senator Thurmond, do you wish to make an opening statement?

Senator THURMOND. Thank you, Mr. Chairman. I have got another committee going, and I am trying to work both.

I want to extend a warm welcome to General Piotrowski and General Chain. Their service to this country has been exemplary. We are grateful for their contribution to our Nation's security.

General Chain, as Commander in Chief of the Strategic Air Command during a time of declining defense spending, you have managed to strengthen our deterrent forces and bolster the morale of our soldiers. Our Nation's strategic deterrent has been the keystone of peace and stability between NATO and the Warsaw Pact since World War II.

In my opinion the United States' strategic modernization program of the 1980s was instrumental in moving the Soviet Union toward a more peaceful approach toward international affairs. The American people are indebted to the men and women of the Strategic Air Command.

I want to pay a special tribute to General Piotrowski, who is retiring at the end of this month after a distinguished career in the Air Force. General, your retirement will be a loss to the country. During your tenure as Commander in Chief for Space Command, you have made an enormous contribution to the national security of the country. Your vigilant and tireless efforts to modernize our deficient early warning network of the past—so important to the credibility of our deterrent forces—have been noted by the subcommittee, but you have also made an enormous contribution to the Nation's security by helping to force our strategic thinking away from a retaliatory deterrent strategy to one balanced between both offensive and defensive capabilities.

I firmly believe the United States should ultimately deploy strategic defense to help deter, and if necessary defend against, the threat of ballistic missiles from the Soviet Union and, in the not-too-distant future, the Third World.

I wish you all the best, and hope that you will soon serve your country again in a civilian capacity. Your wisdom and talent are always needed.

Mr. Chairman, I want to commend you for organizing today's hearing. I think it is significant that the two CINCs responsible for the offensive and defensive missions of our strategic deterrent force are paired together before the committee. This is an important precedent and one that I hope we will continue as we begin to consider the increased importance of space operations and the role of strategic defenses in our deterrent strategy.

Mr. Chairman, over the past few months this committee has conducted numerous hearings to consider the impact of the enormous changes taking place in the world over the past 6 months. Thanks to the committee's distinguished chairman, Senator Nunn, we have been exposed to a variety of opinions regarding the future modernization of our Armed Forces in light of these changes. Virtually all of the witnesses that have appeared before this committee have noted the enormous political changes in the world and the promise of significant reductions in conventional forces, particularly those in Europe.

At the same time, the witnesses have also observed the continuing and extensive modernization of Soviet strategic forces. The U.S. strategic modernization program is in no way comparable. In addition to deploying two modern ICBMs and modernizing the highly lethal SS-18 missile, the Soviets are continuing to deploy two modern submarines designed to launch ballistic missiles.

The Soviets are also producing two long-range bombers capable of delivering nuclear weapons to American soil for—which I might add we have virtually no air defense.

Testimony before the committee also indicates that the Soviets are continuing unabated their extensive deep underground shelter program. These are disturbing events.

In light of the above, I believe we must be prudent and more cautious before reducing the funds for strategic modernization.

As many administration witnesses have told this committee, intentions can change overnight, but capability takes many years to build. For this reason, Mr. Chairman, I strongly support the President's strategic modernization program. In particular, I believe we must fund the Peacekeeper Rail Garrison program and the B-2 bomber. My support for the B-2 is qualified somewhat pending the outcome of the bomber testing program.

While I do not support major cuts in the B-2 program, we must watch carefully the testing program to ensure the bomber achieves its purported capabilities. I also hope that Congress funds the President's request for SDI. The President should be allowed to conduct a research program that will provide him with the necessary information to make an early decision on whether to deploy strategic defenses to protect our Nation.

Mr. Chairman, I want to thank you for your courtesies. It has been a pleasure to work with you and I want to compliment you on the fine manner in which you have handled the subcommittee.

Senator EXON. Senator Thurmond, thank you very much. We are going to go to the opening statements now. I just have this to say. I want to join in the congratulations of both of you for a job extremely well done. All members of this committee are proud of the fact that whatever role we have played in the peace through strength concept has paid off handsomely with what I think we should recognize as a major victory with the demise of communism in Eastern Europe and maybe the beginnings of the demise of communism in the Soviet Union itself.

I suggest that along the way to this great victory we could be criticized for spending too much money on programs and maybe there was some waste. But the fact of the matter is we have won this victory without the loss of a single combat life. I think we have indicated that through deterrence and peace through strength we have been successful.

Before I recognize General Chain, I want to ask you both this question on behalf of all the committee because I want to clarify any problems that we had last year in some of these areas.

Were either of you asked or directed to change any of your written testimony by anyone in Washington, DC, either civilian or military?

General CHAIN. Yes, sir, I was.

Senator EXON. You were? Well, we are going to ask you some more questions about that because we want to make sure that we recognize what your individual feelings are and any changes that you were required to make because of superior authority.

General Piotrowski, could you answer that question for us?

General PIOTROWSKI. Yes, sir, I can answer that question in the opposite vein. I was not asked to change any of my testimony.

Senator EXON. Thank you both very much.

Senator COHEN. Could we have a further explanation, Mr. Chairman, from General Chain as to why he was?

Senator EXON. I said at the appropriate time we would be asking him. I thought he might wish to make that in his opening statement. If he does not, we certainly are going to be wanting some additional answers to that question.

I just thought out of consideration to the General it would be proper now for him to continue with his statement.

I would simply say for the record without objection, the full testimony of both of our distinguished witnesses today will be accepted in full for the record. They can proceed in any fashion that they want and if you care to make any response to that in your opening statement, it would be entirely in order. If not, we will be asking questions about it.

With that I recognize the General.

Senator GORE. Mr. Chairman, maybe he could just raise his hand when he gets to the passage that has been altered and put it back down when he is back on his.

Senator EXON. I have the ultimate confidence in General Chain. There is probably no one more forthright in making his statements in the whole history of the military. He is not a shrinking violet. I think that he will tell us if there are differences of opinion if he can. General Chain.

STATEMENT OF GEN. JOHN T. CHAIN, JR., U.S. AIR FORCE, COMMANDER IN CHIEF, STRATEGIC AIR COMMAND

General CHAIN. Thank you, Mr. Chairman. Thank you for the warm welcome and from your colleagues a warm welcome also. I am delighted to have this opportunity to participate with you in this defense dialogue.

There are many important issues facing our country in a changing world. As the Commander in Chief, Strategic Air Command and as the Director of the Joint Strategic Target Planning staff, my perspective obviously will be a strategic one.

I have submitted my formal statement for the record, and in terms of the question that you asked, there were modifications made where I ended up putting some priorities in what I had submitted to OSD where I was asked not to prioritize and I had no problem with what their requests were, and so I never even went back and argued the point because it did not change the thrust of what I said.

But to be honest in responding to you, there were things that were deleted, but nothing that was going to change the thrust of what I am going to say today.

Senator EXON. Since that has come in right up front, maybe that is a good way to put it. Are you telling us then, General, that there were some changes made in the priority of some of the systems that are at your control as far as looking to the future and what we are going to do with modernization, is that correct?

General CHAIN. Yes. When I prepared my statement I said the following are the things that we need in order of priority, and I was asked to take the "in order of priority" out, and I have no problem with that.

During the discussion with your colleagues I would be delighted to tell you what my order of priorities are.

Senator EXON. I think that that is very forthright. As you have always said and rather than take away from the statement that I think we are all very anxious to have you make that we will get into that at a later time during the questioning.

General CHAIN. Yes, sir.

I would like to summarize a few main points from my testimony or the submission for the record.

First, I believe that a strong strategic nuclear deterrent is as important to America's future as it has been to America's past.

Second, in this rapidly changing world, there are certain inescapable facts of life that drive strategic requirements.

Third, arms control and not unilateral actions is the best way to reduce the military threat in a tangible, mutual, verifiable and stable manner.

And finally, although our country has faced fiscal constraints, the changing world environment and a potential START agreement, a strategic modernization program continues to make great sense.

A modernized, flexible, balanced triad of forces is required for continuing deterrence. Balance must be among the three legs of the Triad as well as in the aggregate against the Soviet strategic nuclear forces.

A deterrent force is composed of quality weapons systems. The second part of the equation obviously is quality people. Highly motivated people are the key to a strong nuclear deterrent, no matter how modern flight line systems become, they are hollow without dedicated, motivated and experienced warriors.

I believe now is the time to reaffirm the commitment to provide an equitable standard of living for our people. Some may believe that SAC does not recognize the dramatic changes occurring in the world today. I can assure you that we do. I applaud the changes occurring in Eastern Europe. I hope the changes set in motion are irreversible.

This hope does not change reality. The world is going to go through a period of instability.

We also recognize that the Soviet Union remains a nuclear superpower. They continue to modernize their strategic nuclear capabilities which give them a balanced modernized force both today and in a post-START environment, and I feel that we need to optimize our post-START force structure as well to ensure that we will be able to continue to deter in the years ahead.

My last point is, the reason I feel so strongly about strategic modernization is that the United States can afford to have a draw in a war as we had in Korea. As much as I hate to say it, the United States can afford to lose a war as we did in Vietnam, and I invested 2 years of my life over there. But the United States can never afford to go to a nuclear war and, therefore, we owe the American people a force structure which can deter any nuclear power no matter who their leaders are or what their intentions or stated intentions might be.

So I welcome this opportunity to participate in the dialogue today, and I will be prepared to answer any questions that you and your colleagues have after General Piotrowski's statement.

[The prepared statement of General Chain follows:]

STATEMENT OF: JOHN T. CHAIN, JR.
COMMANDER IN CHIEF, STRATEGIC AIR COMMAND,
AND DIRECTOR, STRATEGIC TARGET PLANNING

MR. CHAIRMAN AND MEMBERS OF THE COMMITTEE:

This decade promises unprecedented change in international relations which in turn points to a period of instability in the world's security environment. The changes occurring in Eastern Europe and, to a lesser degree, in the Soviet Union, coupled with the U.S. deficit, have intensified the debate on both the size and composition of our strategic nuclear forces. I welcome this opportunity to participate in this debate. The goal should be to find the path that will allow us to maintain the peace we have all worked so hard to preserve. Naturally, my perspective is strategic: the conventional support we provide theater commanders with long-range bombers, tankers, and reconnaissance aircraft; the ICBM and bomber legs of the nuclear Triad; and developing the integrated operational plan for employing our nation's strategic nuclear forces. It is from this perspective that I share my thoughts on the opportunities and challenges facing us.

DETERRENCE: THE NEED FOR STRATEGIC OFFENSIVE FORCES

Currently, our strategic forces support the national strategy of deterrence. I know that you are familiar with the evolution of deterrence concepts over the past 40 years, from massive retaliation to today's flexible response doctrine. Regardless of changing doctrines or changing threats, we know certain basic tenets make up deterrence.

To deter, the U.S. must convince any potential adversary that they cannot achieve their aims by attacking American interests--that the costs far outweigh any potential gains. It is the aggressor's perceptions of U.S. nuclear strength that determines if they will even consider attacking U.S. interests or not. Because our national interests and potential challenges to those interests are worldwide, the U.S. needs strategic forces capable of influencing events and thereby defending and sustaining those interests anywhere, anytime, at any level. Thus, the need for rapid power projection, escalation control, and earliest termination of hostilities on favorable terms will remain fundamental objectives of U.S. forces.

Offensive weapons will remain essential to these objectives. Deterrence based solely on defenses, for example, ensures that the worst thing that can happen to an aggressor is that his attack fails--in effect, he loses nothing, and stands to gain substantially, in any challenge to U.S. interests. Strategic forces must provide certainty of effective U.S. retaliation against what an aggressor most values under all scenarios--this is the essence of deterrence.

Nothing threatens our peace and security more than scenarios using weapons of mass destruction. Only these weapons have the capability to destroy us as a viable society. As the U.S. decides what its military forces should look like over this decade, we must remember:

> the United States can have a draw in a war as we did in Korea,
> the United States can lose a war as we did in Vietnam,
> but the United States can never afford to fight a nuclear war.

END OF THE COLD WAR?

Weapons of mass destruction exist. So while the U.S. must be able to fight across the full spectrum of conflict, nuclear deterrence will remain a significant part of U.S. strategy. The question now is the level and character of deterrence required for the future. At the extreme, some have argued that overnight the need for our forces evaporated. After all, they say, haven't we won the cold war? Frankly, I'm not surprised by this short-sighted view and how it ignores the lessons of the past.

Since World War II, Americans have known the "rolling" nature of international affairs. Hot spots flare and subside (sometimes for days, other times for decades), world leaders come and go (and sometimes come back again), national boundaries and ideologies change, etc. Even with improved relations, other nations will act independent of support and encouragement from the superpowers.

It is clear that the world is going to go through a period, probably many years, of increased instability. Many of the problems in the Eastern Bloc are almost insurmountable: their economies are in shambles, managerial leadership is nonexistent, basic staples (much less "nice to haves") are missing and won't show up for years. Rising expectations exceed capabilities.

All of this turmoil creates instability--and this new era of instability will not make the world any safer. The Soviet Union is the largest military power--nuclear and conventional--in the world. Their military power is their only claim to "superpower" status and is likely to remain so. This military capability possessed by a country without significant external nor internal threats is one thing, but this capability possessed by a country whose expanded external empire is crumbling, and whose internal empire is threatened is of concern.

The outcome of this turmoil and unfolding events is unpredictable. Who could have made accurate, timely, and convincing predictions of U.S. involvement in Korea, Vietnam, Lebanon, Libya, the Persian Gulf, Grenada, and Panama--or the assassinations of Presidents Kennedy and Sadat? No matter how the future unfolds, U.S. interests will no doubt be challenged; deterrence must remain the cornerstone of our military strategy, and we must provide the force structure to carry it out.

SOME STRATEGIC FORCE ARGUMENTS

There are many problems with the current strategic debate. The first problem with the current dialogue and debate on B-2, Rail

Garrison, Small ICBM, Triad versus Diad, etc., is that those who debate the issues enter the logic stream at different points.

The second problem is the "not invented here" syndrome. Those who are pushing their own "solution" to the force structure problem often are those who have committed to or are associated with a particular weapon system.

The third problem is those who oppose a particular system, but who favor another weapon system, immediately criticize the first for its cost while simultaneously dismissing as insignificant the cost of the system that they support (criticize the PKRG but support the more expensive Small ICBM). This "double-think" also applies to those who would reject the PKRG because of some presumed lack of public acceptance of nuclear weapons on the public rails while attempting to sell the Small ICBM because its capability to be mobile on public roads gives it improved survivability.

Fourth, there are those who declare "the Cold War is over," "there is no one to deter," and, therefore, "no modernization is required." They say, "We do not need to be strong, because we are at peace." I say, "We are at peace because we are strong."

Fifth, there are those who have a responsibility for deterrence, who also must be fiscally responsible, and who have been given a stated mission to carry out. This is the group I belong to.

So where does the logic train start?

The public debate usually focuses on numbers, but the debate ultimately turns on the assumptions and conclusions upon which counting methodologies rest--not upon the mechanics and results of the methodologies themselves. We may argue about numbers, but the real differences are about basic nuclear theology.

So the logic train should start with what the task is. The task is to be able to deter any possessor of nuclear weapons from attacking the United States by having a postured retaliatory force significant enough to destroy what the attacker holds most dear. It's our force structure--the size and composition of our nuclear force--which deters.

QUANTIFIABLE DATA

Against this macro mission, target categories are designated. Within these target categories, a finite list of targets are designated; and against those targets, weapons are allocated. The probability of a weapon arriving at a target and doing the damage desired is not 1.0. The probability of damage per target, per target group, and in total can be calculated.

Each weapon system has its characteristic strengths and weaknesses: its accuracy, yield, time of arrival, reliability, and communications effectiveness. Other elements of the logic train:

- How many deterrent weapons does it take to carry out the task?
- How many targets require more than one weapon to have assured damage?
- What would happen if one leg of the Triad failed or had a major enemy breakthrough (SDI, undersea detection, improved air defense)?
- What improvements are needed to offset the changes in the threat?

We do not need any new weapon systems if:

- The threat didn't change their offensive or defensive capability.
- Weapon systems didn't wear out or become unsupportable.
- We did not want to make our systems "less attackable" and thereby improve stability, or if we didn't want to achieve the goals that we've been told to achieve.

THE PERFECT FORCE STRUCTURE (Theoretical Only)

The theoretically "perfect" force structure for the outyears would consist of:

- Accurate high yield weapons.
- One single warhead weapon per delivery vehicle.

-- All land-based ICBMs would be single warhead mobile, all bomber weapons would be single warhead carried on stealth aircraft, and all submarines would be one missile with one warhead per submarine.

- A full SDI system would exist.
- A huge "far forward" air defense system would be in place.

Obviously, these things are not attainable because of fiscal constraints, but they are useful tools in reviewing future force structure.

START IMPACT

The START agreement will put new finite constraints on both sides, so our forces need to be optimized within the START constraints to continue to provide the country the level of deterrence it requires. Again, the final levels of forces contribute--negatively or positively--to international stability. If the U.S. and the Soviet Union reduce strategic nuclear forces to drastically lower levels, then nations such as France, Great Britain, China and others are effectively elevated to the status of equality. The concept that a world controlled by many "superpowers" is less stable than a bipolar one is not new, and a less stable world is certainly not in US interests.

THE OPTIMUM FORCE STRUCTURE

Stability is created by a relative balance of forces between both sides, many of which are not held hostage by potential first strike. So what is the force posture we should be building towards by the end of the century?

The force would be modern and structured in a Triad. With such a force, we could comply with the START limits; we would present a force structure which would deter; and it would be a force structure within reasonable bounds of affordability. It would include all the systems that we are currently asking of Congress: the B-2, PKRG, the Small ICBM, and the Trident/D-5.

QUESTIONS AND MY CONCLUSIONS

If mobility adds to stability, why are we developing the capability to strike mobile targets? Our strategy of deterrence is based on holding at risk those assets that the Soviet leadership most values, including its nuclear forces. The Soviet Union is attempting to defend that strategy by making a growing portion of their nuclear forces mobile. The Soviets would probably use mobile systems as secure reserve weapons since they now have, and in a post-START environment will also have, more than enough weapons for the initial attack. Soviet doctrine and warplanning rely on strategic reserve weapons and, therefore, it would be wise for the United States to hold as many of those at risk as possible. However, to hold mobile targets at risk is very difficult. The percentage that will be able to be held at risk at any given time will depend on timely, accurate, and precise intelligence and quick-reacting weapon systems. Although some argue that a complete capability against mobile systems might not be desirable (from a stability perspective), mobility itself precludes a high level of confidence that we can ever conduct a completely successful attack against all of an enemy's mobile targets. On the other hand, that potential enemy should not be led to believe that we can not hold hostage a significant part of his offensive power.

If the NSWP countries leave the Pact--or the Soviets withdraw all forces from their nations--don't you lose some of the targets you now need to hold at risk? It is important to remember that we have to build the SIOP on conditions that exist, not what might happen. The current SIOP already has significant flexibility. Before we make fundamental changes in our posture it is vital that we are convinced that fundamental changes in the Warsaw Pact have occurred and are difficult to reverse.

Why am I opposed to giving up ICBM mobility if the Soviets do?

It is instructive to remember that the current START framework was developed with the primary purpose of constraining the most threatening systems--ballistic missiles, while encouraging the less threatening system--the heavy bomber. What we are trying to do is create a less threatening, more stable world. Making ICBMs mobile adds to stability as long as both sides do it. Because mobile systems are difficult to find, an attack against them is less likely--this means the world would be a more stable place.

WHAT WE NEED

Simply put, the U.S. needs the ability to maintain deterrence. To deter potential aggressors, America must have a robust combat capability. Many times the focus is on weapon systems. However, combat capability is made up of two essential components: quality people and quality weapon systems.

QUALITY PEOPLE

Highly capable forces with motivated people are key to a strong U.S. nuclear deterrent. Defense cuts must not be at the expense of readiness or "personnel support" programs. Personnel reductions will be required, but the people who remain with us must feel the nation values their dedicated contribution to national defense. People programs continue to erode. Erosion of the personnel support system will ultimately impact readiness and SAC's combat capability as seasoned expertise is lost. Years of experience essential to sustain the career force in the outyears cannot be replaced--it must be grown and nurtured. The time to restore our people's confidence is now--before we relive the history of the late 1970s.

I continue to be concerned about the future ability of our

MWR activities to meet the physical and mental well-being of SAC personnel and their families. I fully support the goal that the mission sustaining MWR programs be fully supported with appropriated funds; yet in SAC, I need a further $15 million just for basic mission support MWR programs. The Military Child Care Act brings higher standards of care at stabilized cost to patrons; but again, the budget lags behind the timetable. The dollar cost to our club patrons to meet self-sufficiency will be significant, and the intangible cost to traditional military values of morale and esprit de corps will in all likelihood be greater.

QUALITY WEAPON SYSTEMS

The second contribution to combat capability is quality weapon systems. Before discussing specific programs, let me reiterate my macro assessment of U.S. strategic nuclear force needs. The forces in the future must be flexible to accommodate changes in the world political and military environment, must be modernized to maintain an adequate level of combat capability, and must remain balanced among the three legs of the Triad as well as in the aggregate versus Soviet strategic nuclear forces--that is, balanced internally as well as externally.

PENETRATING BOMBERS

A fundamental part of the strategic modernization program is the B-2 bomber. Before I discuss systems, I'd like to focus specifically on the need for penetrating bombers--those aircraft that fly to their targets and deliver their weapons.

To meet the national guidance, U.S. forces must hold several targets at risk. This target base can be divided into different categories that each have their own unique characteristics. For example, some targets are time urgent--they must be struck quickly. Others are highly defended. Still others are "hard" targets that require weapons with high yield and accuracy or "broad" targets that still require high yield, but for which accuracy is not a premium. An especially complex target group are those that may or may not be at a given geographic coordinate--in other words, mobile targets officially referred to as relocatable targets.

Each group is targeted with the most logical weapon system. For example, for those time urgent and hard targets requiring speed, yield and accuracy we would use the Peacekeeper ICBM. We are careful not to be completely reliant on any one system for all targets in a specific group. This is because no system in the Triad is, or ever will be, perfect--the probability of arrival of any weapon is always less than one. Therefore, to ensure success we use weapons from more than one leg of the Triad against very important targets.

Except for those targets which must be hit quickly, all target groups can be and are targeted with bombers. In other words, a significant portion of the Soviet target base can be struck with a bomber weapon. In addition, a number of targets fall into a category we call "look-shoot" targets.

The manned penetrating bomber is ideally suited for targets in the "look-shoot" category. In this case the bomber flies to the target. Depending on the damage observed by the crew, they can strike it with a very accurate gravity bomb or short range attack missile or pass by it and go to the next assigned target. Such targeting efficiency becomes even more important in a START environment of reduced strategic weapons.

There are also a number of targets, and the number grows every day, which are relocatable. The Soviets have already made many of their systems mobile; e.g., rail- and road-mobile ICBMs, aircraft, surface fleets, and armies. While the B-2 is not designed specifically for this mission, it holds the most promise for being able to hold mobile targets at risk. The bottom line is that penetrating bombers are the most flexible system the U.S. has now--or will have in the future. They are essential if the U.S. is to have a strong deterrent to strategic nuclear war in the future.

B-2

Today, the B-52S and B-1Bs stand a very good chance of reaching their targets and the post-strike bases. But as the Soviet defenses increase toward the turn of the century, the B-52s must transition to a standoff cruise missile role and the B-1B will have to be moved to less highly defended areas. Without the B-2, by the late 1990s we will only have 97 penetrating bombers and they will be effective only against lesser defended targets. We still will have to have a penetrating bomber to get into those highly defended areas where the targets the Soviets hold most dear are located--and that's where the B-2 stealth bomber will pay large dividends.

Thanks to the B-1B program, the U.S. can develop the B-2 at a prudent pace. The B-2 is a warplane that will keep ahead of any adversary well into the next century and is a keystone in leveraging U.S. strength against Soviet weaknesses. As you know, the aircraft is being flown in a highly successful test program. I believe the B-2's unique capabilities will allow it to survive in highly defended regions and hold at risk a wide range of Soviet offensive and force projection forces on an enduring basis.

Further, SAC analyses have shown that the total effect of the B-2 on overall capability, as viewed in the context of the total force, is greater than the direct impact of its weapons. The value added by the B-2 has two aspects. First, is its added capability over the B-1B to deliver weapons on heavily defended targets. Second, is the "waterfall" effect--the capability to employ the B-1B in a more effective manner. The B-2 is the catalyst which causes the bomber force to be worth more than the sum of its parts.

The B-2 also represents strategic stability. They are too slow to be used as first-strike weapons, but can render the other side's first strike as suicidal. That's why both sides in START have agreed to use counting rules that increase the importance of bombers over missiles. The B-2 program is central to our strategic arms reduction strategy.

PEACEKEEPER RAIL GARRISON

The overriding ICBM need is to go mobile--and soon. Making some of our ICBMs mobile will increase stability in a crisis and the ICBM's deterrent value by improving their ability to survive. To this end, I believe Peacekeeper Rail Garrison offers the nearest term, lowest cost, least technical risk solution. It is very difficult to hold a mobile force at risk--I know because today the Soviets have road- and rail-mobile ICBMs with which I have to contend. This country needs to move ahead with Peacekeeper Rail Garrison without further delay.

SMALL ICBM

Development of the Small ICBM for later deployment will provide more mobile capability in an employment mode that is complementary to Peacekeeper Rail Garrison. This system can survive even with the shortest of warning time. Being so highly responsive to tactical warning scenarios, the Small ICBM will be very difficult to attack and thus will increase crisis stability. Finally the single warhead configuration provides enduring operational flexibility to attack emerging targets and those targets widely separated by distance and time.

B-1B

All B-1B aircraft are on line and the system has matured into the world's best operational bomber. I have personally seen the results of the B-1 in SAC's stringent Operational Readiness Inspection program and in the highly intensive SAC Bombing and Navigation Competition. These programs clearly show me that the B-1 is an outstanding warfighting machine. However, to meet the demands of the future, I must stress the importance of completing the CORE electronic countermeasures program and installing a radar warning receiver to improve the B-1B's effectiveness against a dynamic defensive environment. These modifications are essential if the B-1B is to be a viable penetrating bomber past the mid 1990s.

OTHER SYSTEMS

I also want to emphasize the importance of continued support for Minuteman and the B-52. We have had great success in modifying both systems through a series of sensible, cost-effective programs. For example, we have more than doubled the Minuteman ICBMs' potential to damage hardened targets, and reliability upgrades have extended their service life well into the 1990s. Modifications to our B-52s have improved their weapon delivery accuracy threefold and extended the life expectancy of the airframe.

CONVENTIONAL DETERRENCE--THE B-52G

Deterrence of conventional conflict and keeping the nuclear threshold high are also very important. To that end, I have dedicated the non-cruise missile carrying B-52Gs to the conventional mission. The airplanes are capable and constitute a "bought and paid for" national asset. SAC is fully committed to the conventional bomber mission. We are working hard to improve tactics, procedures, training, and warfighting capability in support of theater commander requirements. However, fiscal realities have already forced retirement of two squadrons with this important warfighting capability. We are down to an absolute minimum--33 aircraft--dedicated to what I see will be an even more important capability in the 1990s.

C3

An essential link uniting U.S. strategic forces is the ability to communicate positively with and control those forces prior to and during a nuclear exchange. Your continued support for programs to modernize nuclear command and control is absolutely critical.

Specifically, MILSTAR, the Groundwave Emergency Network, Miniature Receive Terminals, and ICBM launch control center Super High Frequency Receivers are vital to launch, execute, and manage our strategic forces. The emphasis must be on execution survivability rather than immortality.

KC-135R

I strongly support continuing the KC-135R conversion program--it is integral to the success of both nuclear and conventional missions. This program provides 50 percent more mission capability than the original KC-135A. Given the current and projected worldwide tanker shortfall, to do less would impose unacceptable limitations on theater commanders' operations.

INTELLIGENCE

Intelligence remains a major force multiplier. Initial efforts to increase readiness and combat capability have increased SAC's ability to support any type of conflict. SAC requires the ability to obtain and disseminate vital information in minimal time while current capabilities require days or hours. The required capabilities are planned to be interoperable with other Services and DoD systems, increasing the usefulness and cost effectiveness of those intelligence assets. These capabilities are needed today for timely warning and to prosecute a war if necessary. Additionally, they will be increasingly essential in a world of expanding arms control agreements.

SAC AND THE FUTURE

The U.S. must remain focused on certain fundamentals. First, deterrence remains the best strategy to prevent conflict. Second, a credible nuclear deterrent requires a balanced, modernized Triad of flexible strategic forces. The priorities for SAC forces are clear--the B-2 bomber and ICBM mobility through Peacekeeper Rail

Garrison and the Small ICBM. Third, conventional deterrence can be enhanced by leveraging existing investments in the remaining B-52Gs to realize significant, low cost gains in conventional warfighting. Finally, you must reaffirm the commitment of providing an equitable standard of living for our people. No matter how modern the front line systems become, they are hollow without dedicated, motivated, and experienced warriors.

The U.S. must stay on a measured path. First, realize the promise of arms control to reduce the threat in a tangible, mutual, verifiable, and stable manner. Second, retain a balanced, modernized Triad of flexible strategic forces as the only way to optimize the interplay of the realities all must live with and the uncertainties no one can predict. Third, maintain a sufficiently high state of readiness that any potential opponent will always regard the cost of going to war as unthinkably high.

The importance of a strong strategic nuclear deterrent is as important to the country's future as it has been to its past. The Strategic Air Command remains committed to providing the nation the forces needed to fulfill this first and most basic security task.

Senator EXON. Thank you very much. We will now go to General Piotrowski.

General, welcome back once again. You have been here many, many times. I join in the salute that was very aptly put by Senator Thurmond. Thanks for all your help over the years, and we are happy to recognize you for your statement at this time.

STATEMENT OF GEN. JOHN L. PIOTROWSKI, U.S. AIR FORCE, COMMANDER IN CHIEF, U.S. SPACE COMMAND

General PIOTROWSKI. Thank you, Mr. Chairman. Thank you for those very kind words.

Distinguished members, thank you for the opportunity to appear before you today.

A few weeks ago a delegation from the Supreme Soviet visited NORAD's command and control centers deep in Cheyenne Mountain. In preparing for this visit I demanded that our theme be simple, straightforward and twofold to present to the Soviets: first, that our overlapping space sensors detect ballistic missile and space launches with absolute certainty, almost instantaneously; and second, that multiple redundant systems in concert with established procedures to assure validity and system reliability will not allow the United States to mistake peaceful space or missile test launches for war, nor confuse a spurious signal from one of our systems with an attack on North America, nor fail to detect a real attack.

The Soviets applauded our technology, our people and our procedures used to guarantee accurate attack warning.

I believe their visit, sponsored by the Congress, significantly enhanced the deterrent value of the Nation's strategic offensive forces and at the same time provided a unique confidence-building measure.

Although I am optimistic as you are and as General Chain said, that real change is occurring in both the Soviet Union and Eastern Europe, history provides us with far too many examples of why military threat assessments must be based on capabilities, not intentions alone.

As a unified Commander in Chief for Space, I am charged with identifying warfighting requirements and making my recommendations based on our adversaries' capabilities. In this regard, the strategic ballistic missile threat has never been greater.

The Soviets are, as has been mentioned here, in the later stages of fielding an entire new generation of ICBMs that are more accurate, efficient and survivable than those that preceded them. Version five of their SS–18 ICBM carries at least 10 warheads and will allow the Soviets, even under a START agreement, to maintain their hard kill capability.

The mobile SS–24s and SS–25 deployments continue faster than ever giving their ICBM forces an unparalleled survivability. Last year they added a new Typhoon and Delta-4 as was mentioned already to their large submarine inventory which can launch an attack even without leaving their home ports, or from under the Arctic ice.

If the United States is successful in negotiating a reduction in strategic offensive forces—and I sincerely hope we will be—what will remain in the Soviet strategic arsenal is a very modern, very survivable hard target kill-capable force.

And it is not just the Soviets. I also believe that by the turn of the century other countries will possess ballistic missiles with intercontinental ranges. Despite our best efforts, nuclear and ballistic missile proliferation continues unabated. If it is not halted, other nations may soon be able to hold us hostage to the threat of ballistic missiles with warheads capable of devastating populated areas.

In fact, we have seen the Third World nation missile launches grow by a factor of five or six in just the past year.

The strategic air threat is also growing and modernizing. I am convinced that the 1990s will contain a Soviet bomber force that will be of recent production, sophisticated and heavily leveraged with cruise missiles. Their Blackjack and Bear-H bomber aircraft which carry the AS–15 cruise missile today and will carry the supersonic AS–19 cruise missile tomorrow, typify Soviet resolve to increase their bomber forces' delivery capability and improve its survivability to execute nuclear strike missions.

And there is another aspect to the Soviet threat that has me concerned, their satellite and anti-satellite capabilities. The threat from Soviet space-based reconnaissance satellites is increasing and of great concern to all of our warfighting commanders around the world. I see steady improvements in the Soviets' ability to locate our globally deployed forces and provide timely information, including direct downlinks for targeting our forces from far beyond the horizon, to support their terrestrial warfighting forces.

Just as we do not tolerate Soviet reconnaissance aircraft flying over our areas of operation in wartime, we must not allow their reconnaissance satellites to do the same mission from space in wartime. Our country desperately needs an anti-satellite capability.

The Soviets' four distinct ASAT technologies threaten all of our military satellites from low to high earth orbit. Their co-orbital ASAT system at Tyuratam is operational and maintained in a state of constant readiness. Their treaty-compliant anti-ballistic missile system has, by their own assertion and our assessments, an inherent ASAT capability, one which they intend to exploit.

Their high energy laser and electronic warfare technologies pose a significant threat on future land, sea, air and space battlefields threatening even our high altitude systems.

I believe our military space strategy for the 1990s must be threat-driven and highlight space systems as the true force multipliers which they are. Without this perspective, the military utility to be gained from space systems will be lost.

The Soviets have long held this view, and I believe space will become the focal point of their future warfighting strategy. As General Moiseyev stated in June of last year, June 1989, "Satellites enhance their terrestrial force effectiveness by 150 to 200 percent." They clearly realize the force enhancement role of space, a role that can significantly increase the combat effectiveness of terrestrial forces, especially smaller forces, forces based at home that need to be projected where no infrastructure exists.

As an advocate, I would be remiss if I did not mention some of my high priority space programs, in particular MILSTAR, a space-based wide area surveillance system, a more responsive launch system, a tactical surveillance satellite system to support our war fighters, a ballistic missile defense, and anti-satellite capability.

My highest priority communications program is MILSTAR. I cannot overemphasize the importance of this program for ensuring global, survivable command and control of our strategic and tactical forces. No alternative system now or in the near future can give us more cost-effective survivable, enduring worldwide coverage.

If we must defend our Nation with reduced force structure, we absolutely require guaranteed command and control. NORAD and USSPACECOM's essential worldwide strategic connectivity requirements, and those of other commanders in chief, are inextricably tied to MILSTAR. A full constellation deployment, including adequate replenishment is essential.

Our country's lack of a responsive space launch system to ensure our terrestrial forces' continued support from space in wartime is inexcusable. Our lack of such a system coupled with the Soviet's anti-satellite capability and highly responsive space launch capabilities guarantees that the Soviet space order of battle will increase during conflict while ours will decrease.

Our soldiers, sailors, airmen and marines require responsive launch systems to ensure our critical force multiplying military satellites are available whenever they need them throughout the spectrum of conflict. Anything less greatly increases their risks and potential combat losses.

In the surveillance arena my number one priority is the deployment of satellites to provide better surveillance support to our terrestrial forces. Two programs are needed in this area.

First, deployment of a tactical satellite system based on an inventory of ready-to-launch boosters and satellite mission packages. Such a system would provide direct tactical imagery support to our warfighting forces. Other commanders in chief agree that it is time to deploy a satellite system that is truly responsive to the time-sensitive warfighting requirements of our globally deployed forces, especially those that must be projected out of area. I am confident that such a system will prove to be cost-effective, operationally feasible, and a lifesaving force multiplier.

Second, as we reduce our terrestrial forces as we will, we must find ways to increase their effectiveness. To do this, our warfighting commanders must have a space-based wide area surveillance capability. A space-based system has numerous advantages, provides the ability to see into currently denied areas, increases attack warning time and provides combat commanders real-time surveillance of non-cooperative targets.

In this era of tight fiscal realities, we must strike a balance between the operational effectiveness of terrestrial forces and the space systems needed to support them. A global, all weather, day-night, space-based detection and tracking system would provide a combat multiplier for greatly improved force effectiveness.

In the force application arena my number one priority has long been the deployment of a militarily effective ballistic missile defense. Based on the actual detection and tracking of well over 3,000 ballistic missile launches since I assumed command of the U.S. Space Command in 1987, I am confident that the concept of ballistic missile defense is operationally sound and easily executable. If deployed, U.S. Space Command can operate the Strategic Defense Initiative Organization (SDIO) Phase I ballistic missile defense architecture to meet or exceed JCS-validated requirements.

I am also confident that the technology is near at hand to deploy such a system when the decision is made to do so.

Some may argue that there is too much Buck Rogers in Brilliant Pebbles. I applaud the SDIO and Lawrence Livermore for doing exactly what President Reagan intended them to do, research new and innovative technologies. Ballistic missile defenses, combined with a modernized START level strategic offensive force, would provide us with an improved and safer deterrent strength.

The time is right, especially since we have the technology in hand to place America's future back into our own hands. Congressional support is crucial, and I solicit it wholeheartedly.

My number one priority in the space control arena is a comprehensive U.S. antisatellite capability to eliminate Soviet gunsights in space during wartime.

Last month the Defense Acquisition Board reviewed the JCS-validated requirements for a near-term kinetic energy ASAT and decided to move up the acquisition ladder to milestone one.

We must remove the asymmetry existing today. We need to provide a capability to hold at risk Soviet satellites which can threaten our forces.

With this being my last opportunity to testify before the Congress, I would be remiss if I did not say a word about people. The space capabilities I have been speaking about this morning cannot function without people, and I fear upcoming budget cuts may not treat our people with the consideration they deserve.

Right now junior officers and NCOs are concerned that their hard work, patriotism and commitment will fall victim to the budget axe. As we enter an era of austere funding, I urge you to recognize the sacrifices and contributions of these soldiers, sailors, airmen and marines serving today and ensure that we treat them as the selfless American heroes they are, for we surely will ask much of our Armed Forces in the months and years ahead.

Mr. Chairman, thank you very much. I look forward to your questions.

[The prepared statement of General Piotrowski follows:]

Testimony
by
General John L. Piotrowski, USAF
Commander in Chief, United States Space Command

INTRODUCTION

Mr Chairman, distinguished Subcommittee members, thank you for the opportunity to appear before you today in my capacity as the Commander in Chief of the United States Space Command. My statement today will address the strategic threat still facing our country, strategy for space and strategic defense, and high-priority programs our military forces require to counter the continuing Soviet and non-Soviet strategic and space military capabilities.

THREAT

It's a hard lesson of history that any military assessment of the threat must be based on actual capabilities, not intentions, rhetoric or leadership alone. Whereas military capabilities take years to build-up and could take years to build-down, intentions and leadership can change overnight. We must proceed with caution when responding to political changes which could be rapidly reversed.

Although I'm optimistic real change is occurring in both the Soviet Union and Eastern Europe, it's clear to me that the prophecy that soldiers will "beat their swords into plowshares" has not been fulfilled. This is abundantly clear regarding both Soviet strategic and space forces. While I'm charged with advocating the space needs of the other combatant commanders, and the strategic defense needs of our country, there's a rapidly-growing perception that the entire Soviet threat, both conventional and strategic, is rapidly diminishing. With regard to Soviet strategic and space forces, nothing could be further from the truth.

The Soviets continue to modernize their strategic forces. The Kremlin's restructuring of its military appears to be occurring almost exclusively in the conventional, not strategic, force arena. If this is the case, and I believe it is, any U.S. restructuring of our military forces must be accomplished with this Soviet strategy in mind. Accordingly, U.S. strategic offensive force modernization must continue and strategic defenses must be deployed at the earliest possible time.

I expect the modernization and growth of all components of Soviet nuclear forces--ICBMs, SLBMs, bombers, and cruise missiles--to continue. A START agreement likely will truncate their strategic systems growth, but not their modernization. In the ballistic missile arena, the trend is clear. In 1972, the Soviets had about 2,000 warheads. Today, they are approaching 11,000 warheads with more capable, survivable, and mobile delivery systems. If no arms agreement is reached, they could have over 15,000 warheads deployed by the turn of the century. Even with an arms agreement, it's clear the Soviets will have a sufficient amount of warheads to place our most vital assets at risk. Their new SS-18 is a clear signal that the Kremlin's nuclear strategy continues to be based on the need for a first-strike capability. They're also making their ballistic missile forces more survivable. A sixth Typhoon class submarine recently became operational and over 20 rail-mobile SS-24s and over 200 road-mobile SS-25s have been deployed within the last five years. By the year 2000, mobile systems could compose about 50 percent of the Soviet ICBM force--a sobering thought for future commanders in chief of our strategic offensive and defensive forces.

While the threat to our survival today is primarily from the Soviet Union, tomorrow's may come from other countries as well. The number of countries possessing medium-range ballistic missiles has increased dramatically in the last few years. That, plus the proliferation of nuclear, biological, and chemical weapons throughout the world, requires that we assess our long-term security needs in a broader context than an East-West conflict alone. CIA Director William Webster informed Congress last year, and repeated in his testimony this year, that by the year 2000 at least six Third World countries probably will have ballistic missiles with ranges up to 1,800 miles and three of them may develop ballistic missiles with a range of 3400 miles. Clearly, we no longer live in a bipolar world. It's chilling to consider that the Qaddafis of the world--or their surrogates--may be capable of holding us at risk with ballistic missiles. The important lesson of the protracted Iran-Iraq War, in which Iraq bombarded Tehran using SCUD ballistic missiles, was not lost on other Third World countries. In 1989, Third World ballistic missile launches increased fivefold over 1988. We should not delude ourselves into believing such a situation could not occur, when we're clearly on the road to it today. There is no deterrence against an irrational leader.

The Soviets also established a trend in the 1980s of modernizing and increasing their strategic bomber force. While those increases may be tempered by future arms negotiations, I'm convinced that the 1990s will contain a Soviet bomber threat that will be modern, sophisticated, and highly dependent upon cruise missiles. The Soviet Blackjack and Bear H bomber aircraft, which carry the AS-15 cruise missile today and will carry the supersonic AS-19 cruise missile tomorrow, typify Soviet resolve to increase their bomber force's delivery capability and improve its survivability to execute nuclear strike missions. Their newest bomber, the Blackjack, began deployments in 1988, flies at

Mach 2, and has an unrefueled range of over 4,000 miles. As the world's largest bomber, it's designed to carry 12 nuclear-tipped AS-15 cruise missiles. The AS-19 cruise missile, when operationally deployed on Bear H aircraft, will be capable of flying at altitudes and speeds that will preclude engagements by our current air defense system.

Soviet satellites and antisatellite capabilities are also an important part of the overall strategic threat equation. The threat from Soviet space-based reconnaissance systems is increasing and of great concern to all our warfighting commanders around the world. I see steady improvements in the Soviets' ability to locate our globally deployed forces and provide timely information--including direct downlinks for targeting our forces from far beyond the horizon--to support their terrestrial warfighting forces. Just as we do not tolerate Soviet reconnaissance aircraft flying over our areas of operation in wartime, we must not allow their reconnaissance satellites to do the same mission from space in wartime. As I've stated in past testimonies, our country definitely needs an antisatellite capability.

As you know, the Soviets already have antisatellite capabilities to degrade, disrupt, and destroy our satellites. They have four distinct ASAT technologies which could be further developed to threaten all of our satellites from low earth orbit to geosynchronous. Their co-orbital ASAT system at Tyuratam is operational and maintained in a state of readiness. Not only is it clear that their treaty-compliant antiballistic missile system has an inherent ASAT capability, it's also clear by their own statements that they have the doctrine to use it against our satellites if they so choose. Their high-energy laser and electronic warfare technologies may provide systems with the potential of degrading some of our high-altitude satellites. To counter this threat, our satellites must become more survivable, our space force must include more on-orbit and ground spares, and our capability to reconstitute space forces in wartime from the ground by a responsive, operational launch system must be significantly improved. We must provide our land, sea, and air forces with a guarantee that our satellites, which provide great military utility, are available when they need them in both peacetime and wartime.

STRATEGY

Our military space strategy for the 1990s and beyond must be based on the threat and the exploitation of military satellite systems as the true force multipliers which they are. Without this perspective, the military utility to be gained from space systems will be lost.

Space systems currently provide our forces with communications, navigation, and surveillance support. Communications satellites provide the long-haul voice and data communications required for effective command of widely dispersed combat forces. With the ongoing deployment of the NAVSTAR Global Positioning System (GPS), precise navigation information is being made available for our ground, air, and sea operations worldwide. Military surveillance satellites provide real-time environmental information and missile warning to the National Command Authorities and our forces. The missile warning function is perhaps the most important performed by military space systems today because it provides warning against the greatest single threat to our country, the nuclear-tipped ballistic missile. Space surveillance systems provide our decision makers with the information necessary to decide on retaliatory courses of action for our strategic offensive forces.

Space operations tomorrow must be characterized by surveillance, communications, and navigation satellites with the highest readiness standards, a combat-ready force structure, improved sustainability, and the most modernized systems available. Our continued pursuit of these goals will ensure that space systems will be able to multiply the effectiveness of terrestrial forces. This is especially important in a future era of reduced land, sea, and air forces.

Let me provide some recent examples of how space has played a force multiplier role. During our operations in the Persian Gulf three years ago, U.S. and Allied commanders were having difficulty relocating enemy mines previously identified for destruction. U.S. Space Command provided GPS training to U.S. Central Command personnel and subsequently obtained and employed GPS terminals on our ships and helicopters conducting Persian Gulf minesweeping operations. As a result, the relocation and destruction on enemy mines was conducted in a far more efficient fashion, thereby ensuring safe passage for Western vessels and reducing the loss of equipment and personnel. Shortly before our military strikes in Libya, space information helped familiarize our pilots with their missions. This training could not have been accomplished without extensive support from space systems and dramatically enhanced aircrew performance during the conduct of operations. Three months ago in Panama, military space systems provided extensive long-haul communications support that played a role in Operation Just Cause's rapid and successful conclusion.

Accordingly, I believe money spent on space is money well invested. This is particularly true as we enter an era of reduced conventional force structure that will continue to require the force multiplier-type support afforded by space systems. In this regard, the Congress's support for deployment of tactical reconnaissance satellite systems, a space-based wide-area surveillance system, more operationally responsive launch systems, and a militarily effective antisatellite capability will go a long way in ensuring space support is available to our warfighters.

The other overarching strategy our country should pursue is one that leads to deployment of a ballistic missile defense system. As I told the Senate Armed Services Committee last June, the U.S. Space Command has analyzed the military requirements provided by the Joint Chiefs of Staff, the Soviet reactive threat provided by the Defense Intelligence Agency, and the Phase I ballistic missile defense architecture provided by the Strategic Defense Initiative Organization (SDIO). Based on that analysis, I'm convinced the U.S. Space Command can operate the proposed defense system within the timelines of the threat to meet or exceed JCS-established requirements.

The technology associated with strategic defenses has matured rapidly. I'm confident, as the SDIO enters a major year of testing, that the President and Congress will be able to make an informed deployment decision soon. I believe that, given the magnitude and evolving nature of the threat, the time is right to combine a modernized strategic offensive capability with an active ballistic missile defense capability that will both enhance deterrence and defend our country against limited or accidental attacks.

The coordination of strategic offensive and defensive forces, commonly referred to as Offense/Defense Integration, is an extremely relevant issue and revolves around mutual support and exploitation of resources in the management and employment of future strategic forces. Our country's deployment of a ballistic missile defense system will be coordinated with and integrated into our other strategic forces. Ultimately, this will strengthen deterrence. Should deterrence fail, strategic defenses will decrease the effectiveness of even a massive Soviet attack and contribute to termination of hostilities on terms more favorable to the United States.

Deterrence through the threat of retaliation from our strategic offensive forces must continue. But, as a phased approach to strategic defense deployments is carried out, Offense/Defense Integration will evolve to produce a combined deterrent value greater than either offensive or defensive forces alone. In the future, as strategic defenses are deployed, strategic forces will transition to a balanced offense-defense structure. This will produce a stronger and safer form of nuclear deterrence. Strategic defenses and offenses will be complementary elements of national military power that will be effectively integrated to maximize their individual and collective contribution to attainment of national security objectives.

HIGH-PRIORITY SPACE PROGRAMS

There are several high-priority space programs that have an impact upon the strategic arena and warrant your attention and support. We need to continue with a full deployment of MILSTAR communication satellites, and continue the improvements to our tactical warning and attack assessment system including the Cheyenne Mountain Upgrade programs. New programs include our need for a tactical satellite system, a more operationally responsive launch infrastructure, a space-based wide-area surveillance system and our paramount need for an antisatellite system. Once such systems are deployed, space will become an even greater force multiplier, and will be more readily available to our warfighters in combat. The deployment of such space programs would go a long way in satisfying the requirements of the commanders in chief and greatly increase the combat effectiveness of our terrestrial forces.

Before proceeding any further, it should be noted that Soviet space strategy is designed to support overall geopolitical objectives and--faithful to long-standing Soviet doctrine--be integrated with combined arms operations. It's difficult to envision that any conflict involving what the Soviets perceive as their vital interests would be confined to earth. The Soviets view space as a force multiplier for their terrestrial forces. As the Chief of the Soviet General Staff, General M. Moiseyev, stated in a June 1989 Pravda article, "The implementation of space programs for military purposes will enhance the combat effectiveness of our armed forces by 150 to 200 percent." Their Minister of Defense D.T. Yazov said in 1987 that "a world war fought with conventional weapons will envelop the world's continents, oceans, seas and the near-earth orbit aerospace region." The Soviets believe that their investment in space systems will highly leverage their large investment in ground, sea, and air forces. I believe that too.

Accurately quantifying the force multiplier effect U.S. satellites have in conflict is difficult at best. Nevertheless, space has played a significant force multiplier role in recent limited operations. Furthermore, joint exercises and extensive analyses both indicate that space systems have the potential to do more. As we prepare to enter the 21st century, we must better use the unique advantages provided by space to support reduced ground, air, and naval forces. If General Moiseyev is confident that Soviet space systems enhance their terrestrial forces' combat effectiveness by up to 200 percent, I'm even more confident that our superior systems--if properly utilized--could enhance our forces' effectiveness threefold, perhaps more.

Up through today, the space launch infrastructure has focused on high performance at the expense of simplicity and low cost. From an operational perspective, today's launch infrastructure is inflexible, unresponsive, and expensive. Achieving an affordable, reliable operational launch system will be an important national security challenge facing the United States in the 1990s. The nation's ability to assure timely access to space for our warfighting commanders in chiefs depends on meeting this challenge squarely and thoughtfully. Improvements to the major components of the launch system--ground support, mission control, facilities, and launch vehicles can make launch and mission operations more efficient and cost effective. Additionally, management strategies, emphasizing operational efficiency, must receive equal attention. If our warfighters are going to be on an "equal footing" with the Soviets in the 21st century, both technological and organizational changes must be implemented to "operationalize" space launch activities.

In the broad surveillance arena, I'm convinced that a space-based wide-area surveillance system would provide our warfighters with tracking and targeting information that has the potential to revolutionize tactics and deny any adversary the element of surprise. My advocacy for such a system stems from the force multiplier effect it would provide our terrestrial warfighters. The other commanders in chief are unanimous that such a system is required and must provide continuous, near real time, all-weather coverage directly to combat forces. It must be able to track fighter-sized aircraft and classify ships at sea. Such a system would serve as a force multiplier by allowing commanders to see far beyond the immediate areas of operation in order to deploy their forces at the right place, at the right time, and in the right mix.

By and large, my advocacy for a space-based wide-area surveillance system is based upon competitive strategy analysis that indicates a U.S. investment of less than $10 billion would result in a system capable of effectively tracking over $400 billion of Soviet and other potential adversaries' air and naval assets. The system's inherent flexibility also would allow it to focus on selected areas of interest. For example, the tracking of such things as MIG deployments from Nicaragua to Cuba or BEAR aircraft operations from the Soviet Union toward North America would be detected and under constant surveillance within minutes after takeoff.

The lack of a U.S. antisatellite capability permits Soviet reconnaissance satellites to pinpoint our globally-deployed forces in wartime. If one factors into this equation the Soviet capability to destroy or degrade our satellites, one realizes that we're relinquishing a staggering wartime advantage to the Soviets. In effect, we have yielded the wartime control of space to the Soviets--an untenable situation for this country and for this commander in chief who's been given the wartime space control mission.

Extensive recent analysis indicates that timely U.S. ASAT operations in an Airland Battle-type scenario would significantly reduce an attacking enemy's advancement by providing cover for friendly operations, thus buying time for counterattack and reinforcement operations. Additionally, during naval operations, the negation of Soviet warfighting satellites severely degrades their long-range bomber and anti-ship cruise missile targeting capability, while affecting Soviet attack submarine operations by forcing them to rely on on-board assets to locate and target our forces.

Many U.S. antisatellite opponents believe that such a system would be destabilizing. The real destabilizing factor, however, is today's situation which leaves the National Command Authorities with military options, in the wake of a Soviet antisatellite attack, that are limited.

Last year I testified at length on why the U.S. needs an antisatellite system. Since then, nothing has changed to diminish that need. To the contrary, an ASAT is needed even more today than a year ago as both U.S. and Soviet forces come to depend more on the utility of space systems to offset their reduced conventional forces.

Our antisatellite capability ultimately must be flexible and responsive enough to fulfill the requirements of all our commanders in chief, who unanimously support a U.S. antisatellite capability. Our forces require the capability to destroy or degrade Soviet military satellites surveilling their respective areas of operation within timelines dictated by the tactical situation at hand.

CLOSING

Today, it's clear that Soviet ballistic missile forces are the most serious threat to our institutions and society, in fact our very way of life. In the near future, other countries may possess the capability to hold us hostage with ballistic missiles. As the Chairman of the Joint Chiefs of Staff has stated, "weakness invites tyrants and war, strength deters both tyrants and war." Ballistic missile defenses, with a modernized strategic offensive force, would provide us with a new and safer deterrent strength. The time is right, especially since we have the technology in hand, to place America's future back into its own hands. The support of the Congress is crucial, and I solicit it wholeheartedly.

The support of the Congress is also needed to correct the asymmetries posed by the Soviet satellite and antisatellite threats. Space systems are always over potential battlefields. They are first on the scene in peace and war. If we agree to better support our terrestrial warfighters who will be asked to deter and fight with fewer forces, and fully utilize the force enhancement role offered by space capabilities, then new force multiplier space systems must be deployed. If we agree that Soviet satellites flying above harms way in wartime to target our forces is unacceptable, then an antisatellite capability must be deployed.

Mr Chairman, though I wear an Air Force uniform, my mission is joint and my command is unified. Space systems support soldiers, sailors, and airmen alike. They always have, and I am certain they always will.

Thank you for this opportunity to be with you today.

Senator EXON. Thank you, General Piotrowski, for your excellent statement. Thank you also for your excellent statement, General Chain, which has been accepted in the record and which I have read.

We will go to questioning now, and we will follow the usual time restraints on the chairman and others.

General Chain, let me begin by going back to the matter of differences of opinion. There are obviously strong differences of opinion within the administration today as evidenced by recent revelations regarding the threat assessment from the Secretary of Defense on one hand and the chief of the CIA on the other.

I do not think that those differences of opinion are necessarily bad. I think under the changed situation that we are all facing that there are certainly going to be lots of differences of opinion on all these things.

Therefore, when I ask you the question I am about ready to ask you, it is not to cause trouble, but it is to try to lay to rest what I am fearful are the feelings of some that there is something that is being held back. We do not want anything held back. We have to make the decisions on the budget as far as the authorization procedure is concerned here in this committee, and what we want to do is to not have a straitjacket set of proposals.

With that in mind, can you elaborate now a little bit more in detail on what parts of your draft proposal were changed. You have indicated that it was only in one area and that, as I understood it, was with regard to priorities.

Could you tell us what those differences were and who made the changes. Was it military? Was it the Joint Chiefs or was it someone in the civilian part of the Pentagon?

General CHAIN. It was not a major issue, sir. It was by a person named Frank Miller, a friend of mine, a civilian working in the OSD in Strategic Systems.

In my prepared statement I said that my priorities for strategic modernization were the B-2, the Rail Garrison and Small ICBM, and they asked me to delete the priorities part and just refer to these as the three systems for the strategic modernization. So it was not a big issue.

But to answer the question honestly, I had to say yes, something was changed.

Senator EXON. That is a very straightforward answer. That was the only change of any significance that was made?

General CHAIN. Yes, sir.

Senator EXON. General, let me ask you this question. Certainly the B-2 is going to be one of the critical areas of discussion here.

Looking ahead in 5 years to 1995, what would our air breathing leg of our strategic Triad that has served us well look like, in your opinion, by 1995 if for whatever reason the B-2 was not part of that equation?

General CHAIN. With your permission, sir, let me go back just a couple of years. Just a few years ago I had 150 B-52Gs that were able to penetrate the Soviet Union. About 1½ years ago we had to remove them from a penetrating role in the SIOP because of the growing Soviet defense structure. Right now I have 48 FB-111s, and because of other considerations they are being withdrawn from SAC and put over to the Tactical Air Command so they will be out of the SIOP.

By 1995, B-52Hs, which are currently penetrators, will need to start being taken out of the penetrating role and going into a standoff only role. So in the mid 1990s onward we end up with 97 B-1s being the penetrators, and assuming that a START agreement takes place, which I support, by 1997 the value of the penetrating bomber, with the bombs internal to it not counting, will have increased as far as the value of the aircraft.

The country is going to need penetrating bombers in the late 1990s to be able to capitalize on the agreements as currently crafted. The B-2 will represent over 2,000 weapons that are not accountable in the arms control treaty. When the military focused on military sufficiency for the crafted START proposals way back in the middle of the 1980s, when I first was a three star OpDep working in the JCS and later at the State Department in the Bureau of Political Military Affairs, I can assure you that that has been a fundamental position through the years on how we would structure our forces to satisfy military sufficiency in a post-START environment.

So to me, the country in a post-START environment, the B-2 is going to be a critical necessity.

Senator EXON. There are some very sincere people in this area that think the B-2 is something we simply do not need. It would seem to me that if one were to argue that, given the testimony that you have just presented, they would have to also say that they feel that we can safely go into the future without the balanced three-legged Triad that has served us so well.

If I understand the answer to my question correctly, then what you were saying is that if the B-2 were not there in 1995, we would have a severely crippled third leg of that Triad in our air breathing leg, is that correct?

General Chain. Sir, it would be on its way to being severely crippled. It will have started to atrophy in the mid-1990s, but by the end of the 1990s we would have a severely crippled bomber leg of the Triad.

In addition to that, I go back to the main point. It is not just bombers for bombers sake, it is bombers to be able to do a particular mission, which is to add to the deterrent capability of the United States, and without penetrating bombers at the turn of the century then we will not be able to hold at risk the target base that we have been told to be able to hold at risk.

Senator Exon. Thank you, General. My time is up.

We are going to be using the early bird rule. Under the early bird rule the ranking member of the minority side would be recognized. He has left the room. I have been advised by Senator Cohen that Senator Warner said he would agree to yield to you, and under that standing rule I am glad to recognize you at this time.

Senator Cohen. Thank you, Mr. Chairman and Generals.

General Chain, my understanding is that your testimony from last year was that under the START agreement we are going to have a situation where we have fewer warheads and yet essentially the same number of targets; therefore, that is one of the reasons why you, the Air Force and the Pentagon generally like to have something above the nominal 6,000 warheads. Is that correct?

General Chain. That is correct.

Senator Cohen. How many warheads do you think we need?

General Chain. In the vicinity of 10,000.

Senator Cohen. That is because even though they have strategic forces that will be reduced, the Soviet Union has additional war supporting or general purpose forces that have to be targeted?

General Chain. General purpose forces are one of the four target categories that we have to hold at risk.

Senator Cohen. So even though we have a START agreement, we are having fewer warheads but essentially the same number of targets.

What incentive is there to have a START II agreement if we are simply going to reduce warheads and still maintain the same number of targets? What incentive do we have to go to a START II agreement?

General Chain. I question any incentive right now, Senator, to go to a START II agreement unless there is new guidance provided to the military coming out of the Commander in Chief. Given the guidance that we have, a START II probably will not make sense.

Senator Cohen. So if you had guidance that you had to reduce the number of targets, that would certainly reduce the requirement for having 10,000 warheads?

General Chain. That is true.

Senator Cohen. On page 4 of your testimony you indicate that one of the problems you see is that those who oppose a particular weapons system but who favor another weapons system, immediately criticized the first for its cost while simultaneously dismissing as insignificant the cost of the system they support, and I think that is a valid criticism. You point to those who support the Small ICBM versus that of the MX in a Rail Garrison mode.

The question I have is how does that apply to the B-2 argument? What are the life cycle costs of the B-2? Every time we try to find out exactly what that is, we get off into an argument about acquisition costs versus flyaway costs with no real focus upon what the life cycle costs of the B-2 are.

General CHAIN. I would have to provide that for the record because right now at SAC I made a proposal to the Air Staff which has not been surfaced to the Secretary of Defense of how I think we ought to deal with the readiness of the B-2 in the years to come. Rather than flying at four sorties a month, I think we can fly it like the SR-71, two sorties a month using a companion trainer which is the T-38 which will become available when we go into a new training cycle coupled with the simulators that are going to be provided.

So I do not have a finite number of how much that is going to cost per year.

[The information follows:]

The current projection over a 25-year cycle in fiscal year 1990 dollars is $31.5 billion. Previous estimates approached $35 billion; however, new estimates have gone down due to reduced fuel costs. B-2 life cycle costs compare closely to B-1 costs. The fiscal year 1990 dollars annual cost to operate a B-1 wing normalized to projected B-2 flight operations and number of aircraft is $232 million. The B-2 annual wing operations and support (O&S) cost is $242 million. These estimates do not consider a new B-2 employment and training plan I recently proposed to the Air Staff. As this plan is still under development, estimates for O&S life cycle costs are not yet available. However, this plan would lower B-2 annual costs and extend the aircraft's life cycle.

Senator COHEN. Last year General Welch testified that he estimated about $34.5 billion measured in constant 1989 dollars. If you measure that in current dollars figuring roughly a 5 percent increase over the life cycle of the B-2, you get a significant, almost a doubling, of the costs of that figure. Now you are saying you are going to go back and reassess as to whether the figures that were given to us last year are in fact necessary?

General CHAIN. Exactly. My interest in the B-2 is that it is going to be a very valuable weapons system for the country, and I think that with the state-of-the-art simulators coupled with a companion trainer, I can train the force with fewer actual flying hours during peacetime than are currently planned.

Senator COHEN. One of the things you mentioned in response to Senator Exon was that we need to have the B-2 in order to capitalize on agreements as crafted, and I think that is an important distinction you made.

The question I have is why not count our bomber force the same? Why not count the B-1 and the B-2 precisely the same?

This has been recommended for several years now—that what we have, in fact, is a discount rule for the B-1; namely if you carry, let us say, 20 ALCMs it will count as 10, and if you carry a B-2, everything internal, it only counts as one.

One of the problems I have is that we were told last year that it was actually the Soviet Union that recommended the counting rule that would give an incentive for the United States to actually go with a penetrating bomber. In other words, it was the Soviets who wanted to count the B-2 as one and put a penalty upon the B-1 bomber with the ALCMs by only having a discount rule of 10.

Now why not count them both equally, in your judgment as a military planner?

General CHAIN. First of all, we do not plan to put ALCMs on the B-1. We need the B-1 as a penetrating bomber and not as a cruise missile carrier.

Senator COHEN. Could you configure the B-1 to carry ALCMs?

General CHAIN. The B-1 can carry ALCMs internal, and it can carry ACMs external, but it cannot carry ALCMs external. Our plan for the aircraft is as a penetrating bomber because I cannot afford to give up the weapons having a B-1 count as 10 rather than counting as 1.

Senator COHEN. If you change the counting rule, you do not have that problem, though.

General CHAIN. Why would I want to change the counting rule that is to our advantage?

Senator COHEN. You think it is to our advantage——

General CHAIN. Absolutely.

Senator COHEN [continuing]. To have a B-2 at a cost of, let us say, $600 million or $700 million per copy?

General CHAIN. I will not take issue with you as you toss out $600 and $700 million per copy, but that is not the going price as currently crafted against the number of aircraft we are talking about. I think it is imperative that the country has the B-2.

Senator COHEN. Let me go back. Is it my understanding, then, that the B-1 cannot be crafted as such or altered or modified to carry an ALCM?

General CHAIN. The B-1 can carry ALCM internal, it can carry ACM external, and——

Senator COHEN. It would not carry them externally?

General CHAIN. Pardon?

Senator COHEN. It could not be modified to carry them externally?

General CHAIN. No. It turns out in tests that the vibration of the ALCM external is beyond the capability of the current ALCM.

Senator COHEN. So if it carries the ALCMs internally it only counts as one, so the B-1 would count the same as a B-2?

General CHAIN. No, because the hooks would count. So whatever we put internal would count as 10. So I would end up being charged for 10 weapons if we hung ALCMs on it no matter what they were.

Senator COHEN. Let me ask you the rationale, then. What is the rationale for counting a B-1 as 10 and a B-2 as one if they are all carried internally?

General CHAIN. There is no rationale. We will not do that. That is why we are going to use them as penetrators, so that we do not count them as 10.

Senator COHEN. You said if the B-1 carries ALCMs will count as 10?

General CHAIN. If it carried ALCMs. We do not plan to carry ALCMs on the B-1 because it would count as 10, and I cannot afford to be charged for 10.

Senator COHEN. I am asking you for the rationale. If you carried ALCMs on a B-1, why would we as a military planner—never mind the arms control strategists now, but from a military point of view, why would you want to count that as 10 as opposed to——

General CHAIN. The reason I do not want to put ALCMs on it is because I do not want to charge it as 10.

Senator COHEN. Okay. I guess we are talking about in circles on that particular one.

I think that is all I have right now, Mr. Chairman.

Senator EXON. Thank you very much. Senator Gore.

Senator GORE. Just to quickly follow up on that, I think one final question on Senator Cohen's line of questioning. If the B-1 carries the ALCMs internally, it would still be counted as 10 because of the hooks or mounts on the wings?

General CHAIN. In the ALCM counting rule, a bomber is counted as an ALCM carrier, whatever it is carrying, the number of hooks are what is the unit of the count, and because it could carry ALCM, then it is going to be charged as 10. If we even test the aircraft and it has the capability and I do not even put any ALCMs on it, it is going to cause a charge of 10 even though I had nothing but gravities in it.

Senator GORE. It is an interesting line of questions.

I have another quick follow-up. As I understand it, the Air Force feels the current counting rule is to our advantage because of the assumption that the B-2 will be the principal part of our air breathing leg of the Triad; correct?

General CHAIN. That penetrating bombers will be an important part of the Triad——

Senator GORE. Well, if the B-2 was not part of the mix, then the counting rule would not necessarily be to our advantage?

General CHAIN. If we did not have the counting rule and did not have the B-2, then we would not have enough weapons to be able to certify the military sufficiency.

Senator GORE. I understand that, but I think that the answer to the other question is yes; that if we did not have the B-2, then the advantages we now see in that rule would not be quite the same.

I also wanted to follow up on a comment made by the chairman of the subcommittee about candor. I have always appreciated your candor, General Chain and General Piotrowski. I am certainly glad you are here today, too.

You began, Mr. Chairman, by talking about the on-going controversy involving the head of the CIA and the Secretary of Defense, and I wanted to make a brief comment following up on that. I think the head of the CIA has the highest duty to this country to give his best, most objective assessment of what the Nation's intelligence shows about the questions he is asked to assess.

Now, there is a dispute. There is a legitimate question one can raise about whether it is wise to always do that in open session as opposed to closed session. That is a completely different question. Maybe he should have gone into closed session. I do not have an opinion on that. I have not reviewed that particular point.

But as to the view that as he expresses his intelligence assessment, he should conform it to the political or ideological view of the Commander in Chief, even if that conflicts with what his best and most honest assessment of the evidence is, that is unacceptable.

That view is not in the best interest of either political party, and of course, most importantly, it is not in the best interest of the United States of America, so I think that was a momentary and uncharacteristic lapse on the part of the Secretary of Defense.

Chairman NUNN. Senator Gore, would you yield on that point? I want to go on record as agreeing with you on that completely. I was privileged to serve, as many of you were, with a number of people who were around when the CIA was originally started.

One of the fundamental reasons for wanting an independent intelligence service, as opposed to having it be a part of the military, was to get an independent assessment, even if it differed, and to make sure that we did not have intelligence dictated by policy; to make sure that intelligence would be independent of policy, independent of weapons systems, independent of someone's particular view.

Whether one agrees with Director Webster's assessment is a separate question, but to imply in any way that the CIA director should not be giving his frank and candid views, independent of policy, is a real mistake. That view divorces the overall background of, and the reasons for the formation of the CIA.

So I hope that that is just a temporary lapse. If Director Webster did not give his independent view, that would be the quickest way I know to destroy the credibility of the intelligence community, and in the long run work very much against the national security of the country and the military and everyone else.

Senator GORE. I think just to round this set of comments out for the record, I think that is a shared view here on Capitol Hill. It is very important for the continued effectiveness of our intelligence community, and I hope that Mr. Webster will hear these comments and understand that there are many others who feel exactly that way and not pull in his horns at all.

Again, closed session versus open session, that is a different matter, but I think it is a very important point.

Now, let me move on very quickly to the question of stability. Recently, Mr. Karpov, who used to be their chief negotiator and is now in a policy-making position in Moscow in the arms control process—I incidentally recently returned from Moscow, met with him there, also with President Gorbachev and Shevardnadze and Akhramayev and others. What he said in a recent public statement about the talks that Secretary Baker had there centered on START II.

As you know there have been reports that preliminary discussions of START II have already begun. The Soviets are anxious to do that. We have accommodated them by listening to ideas, and both sides generally assume that the START I Treaty, which will be either initialed or signed in June, will leave us with a situation which is not necessarily stable and which needs further attention in the form of a second treaty which will reduce weapons on both sides, and what is that going to look like?

Here is what Karpov says publicly: he is asked in "Isvestia," "As far as I can understand, both we and the Americans are already saying it will be necessary to embark on the second stage of the START talks immediately following the signing of START I. Please explain."

Karpov: "The conversation will center on how to reduce further still the level of strategic arms, ensuring strategic stability in the process and effecting a rearrangement of the structure of U.S. and Soviet strategic forces which would rule out any possibility of delivering a first strike."

He goes on to say, "We will be able to take the path of gradually decommissioning multi-charge, multi-warhead missiles both in the Soviet Union and in the United States and replacing them with single warhead missiles."

What is the U.S. side's response? Karpov: "In essence, this was the first time the United States has said that it is examining our proposal on this score in a positive light."

I notice in your statement that in the first part of your presentation of what you call a perfect force structure, theoretical only, you say that land-based ICBMs ought to be single warhead and mobile. You go on to talk about a full SDI system and so forth.

But there is great significance, in my opinion, in the fact that one of the paths—there may be more than one, but one of the paths toward an end state that is stable, at the conclusion of START II, is a transition to single warhead missiles on both sides.

The Soviets have clearly signaled for some time that they feel that is the most accessible path toward that outcome. Many in the United States, including General Scowcroft, the President's national security advisor, the chairman of this committee and others, advocate that course of action as well, and I was pleased to see your statement on that point.

A follow-up. When you say a full SDI system would exist in a perfect force structure, do you mean a full SDI system both in the United States and in the Soviet Union?

General CHAIN. Absolutely. I am a great believer in balance. I do not want to waken tomorrow to find them having an SDI system and us not, or vice-versa. We having one and them not.

Senator GORE. All right. I consumed most of my time with the discussion on the CIA, because I thought that was important, but I appreciate your appearance here today. If we have another round I will come back, but we have got a lot of folks here, and I will cease and desist.

Thank you, Mr. Chairman.

General CHAIN. Mr. Chairman, may I make one comment?

Senator EXON. Certainly, General Chain.

General CHAIN. If the Soviets want to go to single warhead missiles, that may be possible, but I would remind you that they have 72 SS-17s with four warheads each, 308 SS-18s with 10 warheads each, 40 SS-24s in silos with 10 warheads each, and 27 SS-24s on trains with 10 warheads each, so for them to convert that force into a single warhead ICBM force is going to be very, very expensive.

They may be willing to do it. I would applaud them if they did it, but I would not become euphoric with a country that has a budget problem like the Soviets have to try to convert an ICBM force of that size into single warhead missiles.

I am not arguing with you, I am just saying it is not as easy as one might say.

Senator **Gore**. With the indulgence of the subcommittee a brief second, I am under no illusions about the difficulty such a proposal would pose for them. All the more reason to see why their chief arms control official is publicly proposing that they do precisely that.

I would just add the further comment that if someone had told me a year ago that by the end of 1989 every country in Eastern Europe would throw off communism, pull down the statues of Lenin, embrace democracy and embark on a road toward capitalism, a witness here might have said, you know, you are really underestimating the difficulty of them making that kind of transition. That is not likely to occur.

It did, because their thinking changed, and their thinking is changing on arms control as well. I think we ought to vigorously explore it, and I think we ought to keep our options for traveling this route toward stability and dramatically lower forces open.

Thank you very much, Mr. Chairman.

Senator **Exon**. Thank you, Senator Gore. Just let me add a caveat in here that I could not help but draw, as I listened to these interesting discussions. I do not believe the Soviets gave up in Eastern Europe because they wanted to. They were literally kicked out of Eastern Europe, and I think that is a little bit different as we plan our strategy in the future. Senator Gorton.

Senator **Gorton**. Thank you, Mr. Chairman. General Chain, when you were asked to set your priorities you started with the B-2, went through Rail Garrison and then the Small ICBM. If the United States, by reason of the action of Congress, were to abandon the B-2 or to abandon the number now under construction, what would that do to the advice that you gave to us about priorities for a nuclear deterrent?

What would we have to do to make up for it, both from the point of view of our own security, and how would that inevitably drive our position with respect to nuclear disarmament negotiations?

General **Chain**. We would be all the way back to the drawing board. Our position for the last 5 years has been built on the assumption that we would have penetrating bombers out through the out years, so if the Congress in its wisdom decided that the B-2 should not be funded and should not be supported, then we would be all the way back to the drawing boards on our position on START, on our recommendation on tomorrow's force structure, and I have no idea what we would come back to you with, because we have never even looked at options of, what if the B-2 did not come into being?

Senator **Gorton**. Do you have even any remote degree of confidence or belief that alternative systems would be less expensive than what you are proposing now with the B-2?

General **Chain**. I have said facetiously in meetings and in question and answer periods that the country only has two weapons systems that can do this task in the years to come. One is the B-2 with stealth technology. The second would be a sub-orbital spacecraft system which the price tag, Lord knows what it would be associated with that.

But we need a manned, penetrating bomber to be able to hold at risk the targets that we need to be able to hold at risk and to have a balanced triad, so yes, the B–2 is expensive but not when you value the deterrent capability, the combat capability that it represents.

Senator GORTON. In answering questions and making comments with respect to Senator Gore, the thrust of something which you thought would be appropriate would be single warhead mobile missiles. What would your strategic assessment be of a START or START II agreement which banned mobile MIRVed missiles? Would we better off or less well-off under that scenario than the others which are possible?

General CHAIN. I know I am going to disagree strongly with Senator Nunn on this, but let me just give you my feeling about the mobile missile.

We had the Soviets out, led by Congressman Aspin, just a few weeks ago. When we gave them a threat briefing showing them what they have been doing and what we are doing and what we project them to do and what we project ourselves to do, one of the Soviets took great umbrage. He said, you talk about our SS–24s and SS–25s as though they are bad, and he said, they are defensive systems.

When he got done saying that, I said, I could not agree any more with you. Would you please tell that to Congressman Aspin in the front row? Because they do not add to their offensive capability, they add to their defensive capability.

I would like to see the United States have mobile systems also, because they are defensive in nature. They do not increase our offensive capability one bit, so from a stability equation, what the mobiles do is add this ability.

If we do not have them, it does not detract from stability, or from deterrence, but the mobile, going mobile adds to stability. If we do not have it, I can sit in front of this group and tell you today, and tell you tomorrow, that yes we can deter with the weapons that we have. They do not have to go mobile for deterrence, but for added stability, which I think is healthy.

That is why I said that I applauded the Soviets for going mobile. It complicates my job. I do not want to be in the position that I could even think of being able to conduct a first strike against the Soviets, and I do not want them to be in a position that they could even think they could conduct a first strike against us, so I like the Small ICBM. If we could afford it, I would be 100 percent behind it. I am right now.

I think the Rail Garrison is the least expensive way to start getting some mobility, and I do not think 50 MIRVed missiles are a major threat to the Soviet Union, and I do not think they think it is a major threat to the Soviet Union, but by having 50 MIRVed missiles that could be dispersed at times of increased tension, I think it would add to the stability equation and would be healthy for both sides to have them.

Senator GORTON. Thank you, Mr. Chairman.

Senator EXON. Thank you Senator Gorton. Senator Levin.

Senator Levin. Thank you, Mr. Chairman. Let me add my welcome to our witnesses today.

The administration's budget is requesting we terminate about 20 front line conventional weapons systems including the V-22 Osprey, the F-14, the AHIP, the Phoenix missile, the F-15, the Apache, the M-1, the Maverick and so forth. A lot of these are significant systems. They are recommending that we eliminate them and the savings in this year's budget would be about $3 billion if we did that.

In the same budget request the administration, I assume with your support, is asking for increases in just about every nuclear system over last year. The B-2 bomber, $1.2 billion more than last year; MX Rail Garrison, $1.1 billion more than last year; SDI, $860 million and so forth totalling about $4 billion in increases over last year. So the $3 billion that they pick up in eliminating the conventional systems is more than outweighed by the huge increases that they are asking for in nuclear systems. I believe that is out of balance and that the nuclear systems have got to take some reductions as well.

My questions to you have to do with the deterrence that you are speaking about, and I think it is clear that we all want deterrence. Last year you indicated that we had enough nuclear weapons to deter the Soviets from initiating a nuclear attack. You said it would be irrational for the Soviets to launch a "bolt out of the blue" strike or to launch a strike after both sides' forces had been generated.

Do you still believe that we have enough nuclear weapons at present to deter a nuclear attack?

General Chain. Yes, sir.

Senator Levin. Now, let us talk about the future. I asked the CRS a few weeks ago to give us an assessment as to what would happen in terms of our survivable nuclear forces, and this is what their assessment is. That with any plausible force structure under START, the Soviets could, with a limited strike of 400 to 800 ballistic missile warheads, destroy virtually all of the fixed targets in the U.S. strategic force including ICBM silos and command centers. Nonetheless, this would leave the United States with some 4,000 strategic nuclear weapons.

And they say even if the size of the Soviet attack were twice or more as large, the U.S would still have some 4,000 surviving strategic nuclear weapons. I am wondering if you agree with that?

General Chain. No, I do not. I do not agree with the basic premise that they start out with.

You know, their numbers may be correct, but not the thrust of the conclusions that they draw.

Senator Levin. Just on the numbers, though?

General Chain. The numbers, I would agree. If you buy that scenario, the numbers, but not the conclusions they draw from the numbers.

Senator Levin. But you do not disagree with the numbers?

General Chain. The numbers, no.

Senator Levin. Now, on the MX, would you agree that the MX on trains in garrison is more vulnerable to a "bolt out of the blue" surprise attack than where they are now in silos?

General CHAIN. No, I would not agree with that.

Senator LEVIN. Would you not agree that in garrison you have got four trains in one place?

General CHAIN. That is right, with two missiles in each train.

Senator LEVIN. So, you have got eight MXs?

General CHAIN. That is correct.

Senator LEVIN. Against a surprise attack when they are not moving. Is not their hardness a lot less than their hardness right now in silos?

General CHAIN. With the accuracy of the SS-18 and the weapon-rich environment that the Soviets are in, they could put two to three weapons per MX silo and have a very high probability of destroying it if we did not move it out.

Senator LEVIN. Is the probability likely not much greater against even garrisons, MX and garrisons?

General CHAIN. It will be the noise level. If they fire three SS-18 missiles, for instance, against the peacekeeper silo, you are going to destroy the peacekeeper silo.

Senator LEVIN. They can knock out a heck of a lot more MXs with one or two of their warheads when they are in garrison than they can in silos, can they not?

General CHAIN. If they were not weapons rich, that might present a problem for them, but they are weapons rich, so it is an academic question and does not have anything to do with the merits of the case.

Senator LEVIN. How about under a START regime?

General CHAIN. The same thing. The target base in the United States that the Soviets face, they have about three times the weapons they need today and after post-START, they are still going to be weapons rich to include having strategic reserve forces.

Senator LEVIN. Let me give you some numbers again from CRS and see if you agree with them. These are based on public figures. Regarding your specific question about the hardness of the proposed Rail Garrison MX system, the figures we used from open source materials are 5 to 10 pounds per square inch for the trains while they are in the open. In garrison the trains sit in soft shelters that are not hardened. Their psi would presumably be slightly higher than when they are in the open, so still around 10, and then—this is according to CRS—by comparison the MX in silos today is estimated at about 2,200 psi. That is 200 times as hard in silos as on trains.

Would you agree with that number?

General CHAIN. Sure. But it is irrelevant. It is a nice number, but it does not have anything to do with the discussion.

Senator LEVIN. So that the hardening that we did on the MX in silos at some expense is irrelevant?

General CHAIN. In today's environment, that is right.

Senator LEVIN. When did they become irrelevant? How many years ago did that expenditure of funds to harden the MXs in silos become irrelevant? They have only been in silos a couple years?

General CHAIN. That is right. They started being deployed here about 5 years ago. It depends on how many warheads the Soviets want to apply against a silo-based MX and, as you point out, the MX has 10 warheads on it, so the Soviets could in a cost tradeoff apply up to 10 warheads against it. And I can assure you if that was the investment they wanted to make, they could certainly destroy it.

Senator LEVIN. So, the bottom line where we do agree is it would take significantly more Soviet warheads to eliminate the MX in silos where they are now than it would on garrisons, while standing in garrison?

General CHAIN. Which they have.

Senator LEVIN. I understand that, but it would take significantly more warheads?

General CHAIN. You are absolutely right, and the answer to that question adds nothing to the dialogue.

Senator LEVIN. I understand. Thank you.

Senator EXON. Thank you, Senator Levin.

Senator Lott is next.

Senator LOTT. General Piotrowski, recently there have been several favorable reports and articles released explaining the successes of SDI research and why the investment has been tremendous. There have been some very positive technical results. You may not want to evaluate one program as opposed to the other, but which program or programs would you evaluate as the most promising in the SDI area?

General PIOTROWSKI. Well, sir, if I can just walk through them, clearly one needs the sensors first. So, we need a detection system and tracking system to initiate defense in the first place. There is no question that the technology is here to do a boost surveillance and tracking system, if I can use that name.

Moreover, you need a cold body tracker and something to separate warheads from chaff and decoys. The SSTS and ground-based radar or ground surveillance and tracking system embody that technology, and there appears to be no question now that those systems will work. So, that is the sensor suite.

Then you get into the Brilliant Pebble, and you may have been referring to Brilliant Pebble versus space-based interceptor. It appears, I think, that the majority of the scientific community as well as those responsible for developments such as General Monahan, all agree that the Brilliant Pebble technology will allow us to field a ballistic missile defense architecture, Phase I and beyond, significantly less expensive than the original architecture with SBI. I see all those as being very promising.

I do not go beyond Phase I because I have focused my effort on Phase I, so I see all those as very promising and necessary.

Have I answered your question, Senator?

Senator LOTT. You have. I have, I guess, a quick follow-on because I want to ask General Chain some questions, too.

If we fail to fund SDI at the President's requested level or about that level, is that not going to significantly diminish the viability of one or the other or both? If you have to make some cuts and changes, would that slow down and diminish your ability to take advantage of what you have learned and at the pace you have been learning it?

General PIOTROWSKI. Absolutely, Senator. General Monahan, as a result of the 1990 funding, has been forced to make some difficult choices on which programs to pursue. If there are further cuts, it will force him to curtail programs that are looking to the follow-on phase such as directed energy systems and the like, and it would force him to focus his energy on a very limited arena of Brilliant Pebble research.

So, there is no question that you are absolutely right, and it pushes the decision time out. As I recall, the President asked for the program to move in the R&D phase such that he could reach a decision in 1992 or 1993 on whether or not the system should be deployed. That time frame is already at risk.

General Monahan has had to make some very, very difficult decisions to try and hold to that time frame, but I think he is on the margin right now on being able to deliver the information to the President.

Senator LOTT. Thank you, sir.

General Chain, I guess my first question is one we could spend the whole afternoon on but, you know, we are having to reevaluate all these programs. We are going to have to make some decisions about priorities. Cost is an important factor.

I have always been very much committed to and a supporter of the B–2, but I have to tell you I am taking another look at it because the world climate is different, the costs are astronomical. I just have to ask myself, do we have to have the B–2. Cannot we make do with what we already have with some modifications.

You know, it is going to be very hard to get both ICBMs mobile and B–2 and everything else we want. Where do we make these choices when you have a very expensive program like this one? You are going to wind up taking a whack out of almost every other program to pay for it, or that could be the result.

How do I justify that to my own constituency in view of these changes?

General CHAIN. That is a very interesting question, Senator Lott, and it tracks back to what Senator Levin was asking about earlier. We are reducing some conventional capability in the country to be able to fund nuclear capability. We were given a budget line which has been reduced since 1986 every year, and within that budget line we in the military prioritized what was the most important to the American people. We had that approved at the Joint Chiefs of Staff, we took it to the Secretary of Defense. He ended up with a priority and went to the administration.

So things like the B–2, there are lots of things that fall out the bottom to be able to fund it. We made some tough decisions on what are the national priorities, and the number one priority from the military point of view and from your point of view that we owe the American people is nuclear deterrence.

As I said in my opening remarks, we can afford to have a draw in a conventional war as we did in Korea. We can afford to lose a war like we did in Vietnam. We can never afford to go to a nuclear war.

All the rhetoric about the Soviet drawdown has to do with Soviet conventional forces. That is why we can give up some of our conventional capability. The threat in Europe has diminished.

But what has not changed is the Soviet offensive strategic forces and today and in a post-START environment we must make sure that we are properly postured so we continue to have a balance vis-a-vis the Soviets so that the country can continue to deter nuclear war.

It is about 16 percent of the defense budget that is going into strategic systems. Historically it has run at that level. There are peaks and valleys, but we really have not changed the level of money that is going into the strategic systems. But I will tell you the number one priority for the country has to continue to be those strategic systems.

So I appreciate your concern for the value, but lots of other weapons systems in the strategic programs also cost a lot of money, and I support them completely. The Trident submarines cost in a macro sense in the total program more than the B-2, but I would not be in here saying we do not need Trident. We do need that Trident submarine, and we need the B-2. And for us to be able to do our task in the years to come the country is going to require these weapons systems.

Senator LOTT. Last question. What would be the number of planes below which you would say it is not worth while going forward with the B-2? Do you have a magic number?

General CHAIN. Today the country has spent $23 billion on research and development which is about 80 percent of the R&D bill. When the research and development bill is completely paid, the cost per weapons system is going to be about $290 million a copy in today's—1990s—dollars which is about 20 percent more than the B-1.

I think we are going to get much more than 20 percent increase in combat capability out of that. So, with the investment—the military did not take that out of the bottom drawer. The investment that you and your colleagues and your colleagues over in the House have made for the last 10 years in that program, that is money you have authorized and approved. That has been spent.

So now we are about to produce these things at $290 million a copy which are going to serve our country very well. We have made a huge investment. I do not think this is the proper time to do a 180 from it and throw that money out the window.

Senator LOTT. You are saying you need them all, the plan as it now exists?

General CHAIN. I need 132 bombers.

Senator LOTT. Thank you.

Senator EXON. Thank you, Senator Lott.

Senator Wallop is next.

Senator WALLOP. Thank you, Mr. Chairman. I welcome the witnesses.

Let me just take a moment of my time to make one statement in defense of the Secretary of Defense.

I think he was dead on target. If the Director of CIA has a responsibility as Senator Gorton and Senator Nunn said, to be independent, so too does the Secretary of Defense whose job it is to provide what he views as the necessary requirements to conduct the responsibility with which he is charged.

I would say that Mr. Webster was not independent. He coordinated his statement with the State Department, but did not mention it to the Defense Department. So, to be independent is one thing. To be myopic and romantic is quite another, and I will just leave my statement there.

General Piotrowski, let me really compliment you for a very thoughtful statement.

General Chain, I hope you read it because for the first time I have heard somebody talk about the role of coordinating defenses with offenses in order to create both stability and deterrence and to maximize each by the strength of the other so that the strength of two combined is greater than the strength of either one of them separately.

I think that is a statement that is long overdue. I know you have made it before, but I have not heard it in a public hearing like this, and I want to thank you for it.

Some are saying that, given the enormous changes that have taken place in the world, defenses have no future in military strategy. One of the reasons I liked the statement was because it went beyond the Soviet threat and went to the rest of the things that could threaten American security interests, whether they are in the homeland or overseas.

Would you just expand a little bit on that for me, sir?

General **Piotrowski**. Yes, sir. Thank you, Senator.

Let me just say that not only have General Chain and I been very good friends for a long time but we and our staffs are working very closely together to ensure the close relationship between offense and defense and that there is synergy there. So it is not just a statement on my behalf. It is an actual relationship that exists between us and our two commands.

Yes, sir, there are rather dramatic changes in the world. Most of us have focused on the things that we have worked for for 40 years. What has not received so much focus is the significant change in the Third World.

If I can go back and just say that the lesson of the war between Iran and Iraq was that you win wars by bombarding your enemy's capital with ballistic missiles and beat them into submission without losing soldiers, sailors, airplanes or tanks. As a result of that, I think there was an exchange of approximately 223 missiles, provided by the Soviet Union incidentally, between Iran and Iraq which caused Iran to capitulate.

Subsequent to that, we have seen over 1,300 missiles launched in the Third World, the majority of them by the central government of Afghanistan against the Mujahadeen, again SS-1 missiles provided largely by the Soviet Union, which has also provided them to a number of other countries.

Senator **Wallop**. I might just add that Iraq sent one into space, did they not?

General **Piotrowski**. Yes, sir. Iraq launched a rather significant ballistic vehicle that has both intercontinental reach, in terms of ballistic missile, or space potential. My personal opinion, if I may give it, is that they are more interested in letting their neighbors know that they have extended their reach in ballistic missiles rather than that they are going to go to space.

Egypt and other nations in the Middle East are producing ballistic missiles. I read in the paper today with somewhat alarm that the Libyans are back into the production of weapons of mass destruction in terms of gas.

We talked earlier about the projections of Director Webster. I certainly agree with his projection that by the turn of the century there will be 15 nations with the capability to launch ballistic missiles and 20 nations with weapons of mass destruction to put on them. I would only disagree with the Director's assessment of timing—last summer he really believed it would be at the end of the century. I think that we are seeing a great acceleration in that.

I believe that this Nation needs a ballistic missile defense not only to add balance to our deterrence, which will ensure continued existence of our institutions, populations, and value systems, but also to defend against the crazies, or maybe I should say irrational leaders, in the world that are building ballistic missiles that will soon threaten the United States if they do not already.

Senator WALLOP. As well, allies in Europe, France?

General PIOTROWSKI. Yes, sir. That is the great advantage of a space-based ballistic missile defense, that it does not limit us to defend only ourselves and our homeland but allows us to defend our allies and our forward-based troops. In fact, I would defend Moscow against a ballistic missile attack if it were not ours.

Senator WALLOP. When you quoted General Moiseyev about the force multiplier effect of space, was it not he also who said that the Soviets did not intend to yield their superiority in space?

General PIOTROWSKI. President Gorbachev made that statement.

There was also a statement by Yazov that said that conventional wars of the future will embrace low earth orbiting satellites. So while the Soviets have talked about cutting their conventional forces, cutting their strategic forces, moving back from Eastern Europe, they have, on the other hand, made statements, as you have suggested, that space is a force multiplier, that the next conventional war will embrace space, and that their ABM system is an anti-satellite weapon and they intend to use it as such.

So, on one hand, they are backing away from conventional and strategic forces, at least the numbers, and on the other hand they are building space related capabilities. In fact, there is a recent estimate on the part of the intelligence community that says that irregardless of glasnost and perestroika, the Soviet space programs and their domination and move to space continue unabated, if not increased.

Senator WALLOP. Along that line, would you like to see us begin to examine a little more robustly ASATs capabilities and technologies which bear promise?

General PIOTROWSKI. Absolutely, Senator. I am very pleased that the Army has gone forward and that Secretary Betti has allowed them to move forward to milestone one for a kinetic energy ASAT; small numbers, albeit, but I think adequate to both deter and to sweep the skies of low earth orbiting intelligence satellites that the Soviets use to target our forces.

Senator WALLOP. Thank you, Mr. Chairman.

Let me just close by saying, General Chain, I am glad that you and General Piotrowski agree on this synergistic effect. I had taken it basically from your statement, and you were talking about deterrence based solely on defense. I do not know who has advocated that, but I do not think that has been part of the policy. I was sort of looking through it for this same kind of statement of coordination, a strategic offense and strategic defense, and did not find it. Having not found it, I thought it was worth bringing up. I am glad you agree on it.

General CHAIN. Thank you, sir. We even have officers at each other's headquarters working so that we stay in close liaison.

General PIOTROWSKI. If I can add one comment to that, sir. In our ballistic missile defense exercises, in other words as we test the system and our ability to defend, General Chain and I have worked into that the integration of offensive and defensive forces to make sure that there are no limiting factors, there are no traps that we could fall into. It is a very close relationship.

Senator EXON. Thank you, Senator Wallop. Senator Nunn.

Chairman NUNN. Thank you, Mr. Chairman. I am sorry I did not hear all of that. If I ask a question that has already been asked, just tell me.

General Piotrowski, on page 8 you say, "I am confident as SDIO enters a major year of testing that the present Congress will be able to make an informed deployment decision soon." Did you tell us what "soon" means?

General PIOTROWSKI. Sir, I was referring, perhaps not as accurately as I should have, to the request that the President made of General Monahan and, before him, General Abrahamson, that he would like to see the program allow him to make a decision by 1992 or 1993 on whether or not the system can be deployed or is ready for deployment.

I think General Monahan right now is trying to proceed on a schedule that would provide information to the Congress, the President and the American people no later than 1993.

Chairman NUNN. So you believe we will be able to do that in 1993, be able to make an informed decision on deployment by then?

General PIOTROWSKI. I believe if the program that General Monahan has laid out is funded as he has requested—I know he was forced to make some tough choices when about $1 billion was cut out of the 1990 budget, but if he is funded based on request, I am confident that——

Chairman NUNN. On his request or on the administration's request to the Congress? Those are two different things.

General PIOTROWSKI. Excuse me, sir. On the President's request to Congress.

Chairman NUNN. On the President's request to Congress.

Do you know, General, now, or do you have an idea how much this first phase is going to cost, roughly speaking?

General PIOTROWSKI. The last time I spoke to General Monahan, which was about 2 weeks ago, he indicated that as far as he could tell right now, a ballpark figure for Phase I ballistic missile defense is $50 billion spread out over about a 7- or 8-year period.

Chairman NUNN. Is that what we call now-year dollars, or is that then-year dollars? Do you know?

General PIOTROWSKI. Sir, I do not recall. I suspect it was then-year dollars, but I will get an answer for you.

[Information was provided subsequent to the hearing as follows:]

UNITED STATES SPACE COMMAND,
PETERSON AIR FORCE BASE, COLORADO,
March 26, 1990.

DEAR MR. CHAIRMAN: During my testimony before the Senate Armed Services Committee on 7 March 1990, I promised to answer in further detail your questions concerning the Phase I Strategic Defense System (SDS):

What is the projected acquisition cost of Phase I?

Has SDIO included the Phase I cost in their budget plan?

The current total acquisition cost for a Phase I SDS, as projected by SDIO, is $55.3 billion, in fiscal year 1988 dollars. This cost estimate is based upon a Phase I SDS architecture with Brilliant Pebbles as the baseline space-based weapon. The previous estimate of $69.1 billion was based on the 1988 Defense Acquisition Board (DAB) architecture which assumed a Space-Based Interceptor as the space-based weapon.

The Phase I SDS costs for FY 90-94 are accounted for in the current DOD Five-Year Defense Plan (FYDP). SDIO is preparing their submission for the Six-Year Defense Program (SYDP) covering FY 92-97. The DOD FY 92-97 SYDP will include funding for acquisition of the Phase I SDS and will be submitted in conjunction with the Administration's FY 92 budget request.

I hope my answers have satisfactorily addressed your concerns. Thank you again for the opportunity to testify before your committee.

Sincerely,

JOHN L. PIOTROWSKI,
General, USAF, Commander in Chief.

Chairman NUNN. We have a draft report which does not completely answer the question but gives us some partial insight. "GAO estimates it will cost an additional $87.1 billion"—and this is in then-year dollars is the reason I asked—"in order to complete and fully deploy the baseline Phase I which had been advertised as a $69 billion cost."

I understand that Brilliant Pebbles is supposed to cut that cost by $15 billion or so.

General PIOTROWSKI. Yes, sir. If you said baseline system, I am sure that was the old space-based interceptor and the garage concept, and it would be, as you say, cut significantly by Brilliant Pebble. I speak without accurate knowledge when I say current or then-year dollars.

Chairman NUNN. Has anybody got an accounting of the cost, whether it is $60 billion or $100 billion, in their budget plan, the 5-year plan?

General PIOTROWSKI. Sir, I have to believe that it is reflected in General Monahan's submission.

Chairman NUNN. General Chain, do you know the answer to that?

General CHAIN. No, sir, I do not.

Chairman NUNN. If we are having sticker shock over the B-2, just think what is going to happen if somebody comes up here and says we want $100 billion starting in 1993 to deploy SDI, we want a B-2, we want two missiles, we want to continue the Trident program. At the same time we are going to have an arms control agreement that is going to make the world safer, and we are asking for hundreds and hundreds of billions of dollars for these systems.

Does anybody really believe that Congress is going to be able to or the American taxpayers are going to be able to find this kind of money?

I do not know that it is in anybody's budget. I have not heard about it in the Air Force or being in anybody's long-range budget between now and the year 2000. I have not talked to anybody who says it is even part of their projections.

Have you, General Chain?

General CHAIN. No, sir, I have not.

Senator WALLOP. They have not gotten to the decision.

General PIOTROWSKI. Senator Nunn, if I could respond. I was at a group meeting the other day out in Los Angeles, and the subject of savings and loan came up. A young woman stood up and said "I wish they had asked my children whether they would like to have a ballistic missile defense system or to bail out savings and loan."

I think that reflects the attitude of the American people, that they really believe that America needs to be defended.

Chairman NUNN. Well, we went off budget at President Bush's insistence on the savings and loan bailouts, so it does not show up anywhere. Maybe we can do that with the SDI. [Laughter.]

Chairman NUNN. Just put it off budget, and it will never show up. I suspect all of us would prefer to have spent that money in a lot of different ways rather than on the S&L bailout. I have no disagreement with that lady's analysis there.

General Chain, you said you all have been working together on this. Do you believe that we will be able to make that kind of informed deployment decision on SDI by 1993?

General CHAIN. With General Piotrowski here, sir, I would have to yield to him. I certainly follow it, but I do not have the depth of knowledge that he has.

Chairman NUNN. Mr. Chairman, that is all the questions I have.

Senator EXON. Thank you, Senator Nunn.

Senator Warner was next.

Senator WARNER. Thank you, Mr. Chairman.

I would like to follow on to Senator Wallop's reference to the question of the tactical ballistic missiles and the possibility, General Piotrowski, of their reaching the United States, even those with shorter ranges and the ballistic missiles that are under the cognizance of General Chain.

On page 3 of your testimony, you stated, "While the threat to our survival today is primarily from the Soviet Union, tomorrow's may come from other countries as well. The number of countries possessing medium range ballistic missiles has increased dramatically in the last few years. That, plus the proliferation of nuclear, biological and chemical weapons", and you mention the dramatic announcements of recent about Libya, "through the world requires that we assess our long-term security needs in a broader context than an East-West conflict alone.

CIA Director William Webster informed Congress last year and repeated in his testimony this year that for the year 2000 at least six Third World countries probably will have ballistic missiles with ranges up to 1,800 miles, and three of them may develop ballistic missiles with the range of 3,400 miles."

Even though it may be somewhat repetitive here, I would like to ask you once again, what are you doing within your command to prepare for defenses against that type of, should we still call them, tactical ballistic missiles?

To the extent that you are doing it, the Army and other commands could transpose some of that technology to theaters of operation beyond the United States where they have cognizance and responsibilities.

General PIOTROWSKI. Senator, without going beyond the open hearing I can answer that question by saying that the current satellite, the DSP that we use to provide warning of ballistic missile attack——

Senator WARNER. Which is an integral part of Phase I of SDI——

General PIOTROWSKI. No, sir, it would be replaced by BSTS. But the current system gives me great confidence that a follow-on system would allow us to defend America. We have demonstrated that we can take detection of a launch of a missile not inimical to the United States but perhaps a threat to other parts of the world, and we can provide that information in sufficient time to the forces overseas. NORAD/USSPACECOM does not currently provide satellite early warning data to Israel, and we do not have direction or plans to do so.

But all we have today is the ability to warn of attack or to cue other systems that might be available. But, of course, outside of General Monahan's Strategic Defense Initiative development program, we are doing nothing to provide defense against ballistic missiles.

Senator WARNER. Well, should we be doing something? That is an area to which I intend to address considerable focus during the cycle before us for 1991 as to whether or not in the SDI program we should begin to reprioritize to some extent perhaps a step short of a total Phase I to begin to focus on this threat from tactical ballistic missiles.

Do you have any recommendations? First I understand what the President has asked, but I would like to ask for your personal opinion, your personal thought. When you came up for confirmation we asked you there will be times and we as members of the committee individually or collectively want your personal views, and the question is should we be reprioritizing some of the programs in the SDI umbrella at the moment? I should withdraw umbrella. Total program to focus on this threat.

General PIOTROWSKI. Sir, I am delighted with the question, and I certainly will give you my opinion and my honest answer. That is, no, sir, I do not think we should reprioritize. I believe we should focus on Phase I as an absolute essential necessity for defense of our homeland and our values and our institutions.

I do believe that we should also add to that modifications to the existing Patriot. I know at the present time the Israelis are planning to buy or lease Patriot missiles because they sorely need a tactical defensive system.

I truly believe that a Brilliant Pebble architecture gives us the ability to not only defend the homeland, as was brought up by one of your colleagues, but also defend our friends and forces that are forward based.

Senator WARNER. I am glad you mentioned that because Israel is becoming increasingly vulnerable to the growing proliferation in that part of the world as are all nations in that area, and I just ask are we doing or what should we be doing to counter the lower altitude threats that we find being proliferated in the Middle East.

General PIOTROWSKI. As I say, sir, I do not believe we can draw away from the ballistic missile defense that is part of Phase I, but I do believe we can add to it modifications to the Patriot that would make it more effective.

The difference in velocity of a tactical ballistic missile versus an intercontinental ballistic missile reentry vehicle makes the Patriot a capable system.

Senator WARNER. I know my time is about to expire.

General Chain, this is your jurisdiction, but I saw you writing a note. Did you wish to contribute to this dialogue?

General CHAIN. I wanted to answer your original question, sir, in case you had forgotten it. I wanted to make sure I got it on the record for you.

You asked whether the instability inside the Soviet Union, has that made any threat to their strategic weapons systems, and my answer to you is not that I am aware of.

And the geographic areas of Azerbaijan and what have you, we have not seen increased security forces deployed to missile fields, for instance.

Senator WARNER. I am glad you responded to that question. So, in capsule, each case must be examined on its own merits and facts, but to date the instability in the various geographic areas of the Soviet Union between the ethnic groups and other problems has not in your judgment increased any risk of an accident or misuse of their strategic force co-located.

General CHAIN. As much as I know about the subject, yes, sir.

Senator WARNER. Thank you very much.

Senator EXON. Thank you, Senator Warner. Senator McCain.

Senator MCCAIN. Thank you, Mr. Chairman. I thank both the witnesses for being here today. It has been a very informative hearing.

General Chain, I am concerned about your statement today; both some of the elements that are included and some that are left out.

I am concerned about the implied threat that any failure, on our part, to give the Strategic Air Command all it asks will result, or affect, the Chiefs' support of START. I do not think that is appropriate, particularly in light of the significant reductions on the horizon in procurement of the B-2.

I do not see summary net assessments or conclusions regarding the adequacy of forces for deterrence or warfighting. I do not see evidence of a clear examination of our strategic options and roles and missions. I think that that is an element that we need very badly as we review the requirements of the Strategic Air Command.

I would like to go back to a statement that you made to one of the previous questioners. You said that the capability of the Soviet Union is not changed at all. Is that basically accurate?

General CHAIN. Strategic capabilities, strategic offensive capabilities.

Senator MCCAIN. I have always been under the belief that the elements of a threat are more than capabilities, but also intentions. Do you believe that the intentions or the likelihood of the Soviet exercising those capabilities is the same as it was a short a time as 2 years ago?

General CHAIN. Absolutely not, and I applaud what Mr. Gorbachev is trying to do over there. I hope he survives. I hope he is successful, but history is strewn with examples of a leader, political leader not surviving.

Capabilities take years to change, as you well know, sir. Intentions can change overnight with a shot of a gun. So, my role in life is to come to you and tell our capabilities vis-a-vis the Soviet capabilities.

Senator MCCAIN. Then one would have to conclude that you would believe that any successor of Mr. Gorbachev, if there were a successor to Mr. Gorbachev for whatever reason, would return to the Cold War? There is a likelihood of return to the Cold War environment that we have suffered under the last 40 years or so?

General CHAIN. No, sir, but let me just give you a couple of examples.

When the Soviets in 1917 threw out the Czar, they probably did not guess that they were going to end up with Stalin a few years later. In 1933 when the Germans elected Hitler to become their leader, I doubt that they expected in a few years for him to try to take over Western and Eastern Europe.

I do not have the crystal ball to know what is going to happen 5 or 10 years from now, but I do know that we can measure our combat capability vis-a-vis the Soviets today and 5 and 10 years from now, particularly in the START environment.

I hope their intentions are fine. When you look at 40, 50 years of relationship with the Soviets within a very short period of months all of a sudden they do a flip-flop of intentions. There is no reason to believe using historical examples that they could not reverse course again.

I hope it never happens.

Senator MCCAIN. Well, I guess we have a fundamental disagreement because I frankly cannot envision a scenario—let me choose my words carefully—where we would return to a period where the Soviet Union intentions would pose the threat that they have in the past.

I think most of us feel that events have gone too far for that to be likely. But let me get back into the hardware of the B-2 if I could.

Senator Cohen addressed this to some degree. If we go ahead with production or procurement—I believe you said 132 aircraft—is there a point where the unit cost just gets prohibitively expensive?

General CHAIN. No, sir. Again, the R&D, 80 percent of the R&D has already been spent. Using today's dollar we are going to be talking about $290 million a copy, and that would go as long as the production line runs for the unit cost does not increase as the production line increases. The unit cost increases if you stop it and then say all the R&D money goes into it and if we only had one aircraft today, one aircraft would cost $26 billion or something.

Senator MCCAIN. Let me get back into the original mission of the B-2. It is to be able to penetrate inside the defenses of the Soviet Union in the event of a strategic conflict.

Once inside those defenses, is the B-2 expected to retarget as the case may arise?

General CHAIN. It will have the capability to retarget. Many of the targets it will go after will be fixed targets and there will not be any requirement to retarget.

Some of the targets may have changed while the B-2 goes from the United States to the target area and will have communications available to be able to retarget them while they are in the air.

The third thing is there will be targets that will be relocatable, that some B-2s will be tasked to go after. They themselves will go and try and hold those targets at risk.

Senator MCCAIN. Is it true that the target list has grown steadily since the late 1950s in proportion to the number of penetrating weapons available?

General CHAIN. No, sir, it is not.

In the 1950s and the years during the Nixon administration the target list did grow, but from the Nixon administration on to today it has been fairly constant, except it has gone down a little bit in the last 10 years because of more efficiency of our weapons and better accuracy of our weapons.

Senator MCCAIN. Well, I would like to get into the B-1 and standoff capabilities, but I see that my time has expired. Thank you, Mr. Chairman. Thank you, General Chain.

Senator EXON. Thank you, Senator McCain.

We will now be going to our second round of questioning which I will lead off with.

General Chain let me follow up on the line of questioning that you have just been asked by Senator McCain.

It seems to me that we have no way of knowing at the present time what changes, if any, might occur in the Soviet Union. You have stated it very well.

We hope that things continue as they are now. It seems to me if I can believe all of the intelligence information that I have both from the Defense Intelligence Agency and from the CIA, I have not heard any of our agencies dispute the fact that while the Soviet Union certainly is making significant cutbacks in conventional forces or proposing cutbacks in conventional forces aided and abetted, I suspect, by most of the countries in Eastern Europe, their strategic modernization program continues unabetted.

I think that the overwhelming weight of evidence and intelligence information that we have indicates that the Soviet Union very clearly is moving into a posture that has been the fundamental program of the United States of America. They place high importance on the modernization of their strategic forces, including the fact that they presently have an SS-24 and SS-25 mobile missile, a fact that you properly, in my opinion, alluded to when the Soviets visited the inner sanctum of our Strategic Air Command last month.

You only wish the United States had the same. In that particular area we have zero.

The point that I am making is that I think that most Americans are not enthusiastic about the proposition of further deterioration in our strategic forces, given the clear fact that the Soviet Union has made the decision that they think it is in their national security interest to spend more money and continue to modernize their strategic forces while cutting back on conventional forces.

Do you both agree that the Soviets are continuing to aggressively modernize their strategic forces?

General CHAIN. Well, they are, sir. As you rightly know, the Soviets in 1985 started to develop their—and deploy—their SS–25 road mobile system. They have now over 200 of them, deployed approximately 70 in the last year. At the rate they are deploying them, they are deploying them almost faster than they can build bases to put them in.

In 1987 they started deploying their Rail Garrison type of system. They now have nine trains out that are operational. In the SLBM field, they are continuing to deploy the Delta-4 submarine. And we are not sure whether they are going to develop and deploy any more Typhoon submarines, but they have modernized their submarine force, not only with the submarines, but with missiles to go along with them.

And they are producing the Blackjack and the Bear-H bomber. And so that by the time the START agreement should come into effect, they will have 100 percent modernized their submarines, 100 percent modernized their ICBMs and 80 percent modernized their bomber fleet.

So they have steadily continued down the road of strategic modernization. And all the rhetoric about the cuts that the Soviets are doing, all are in conventional forces only. And because of that, and because of what is happening in Eastern Europe, NATO used to say that they would have 10 days warning. I used to be the chief of staff over there. Now, they are talking about 6 months warning.

So we are not in the same posture that we were a year or two ago, as far as a fear of a conventional war breaking out in Europe. But there is nothing changed to reduce the strategic modernization program. And the intelligence community, CIA as well as DIA, continue to see no change whatsoever in their thrust, in their vector.

Senator EXON. General Piotrowski.

General PIOTROWSKI. I wholeheartedly agree, Mr. Chairman. Our infrared space sensor, the DSP, allows us to monitor their testing, by observing launch of ballistic missiles. And, of course, it peaked in 1988 as they completed testing on their modern systems. So the systems they are fielding today are a new generation which, in effect, are 2 years old.

I agree completely with General Chain that, when we have negotiated START reductions, the Soviets will have virtually a brand new, very modern, very sophisticated ballistic missile, bomber, and SLBM force.

Senator EXON. That leads me, then, just to the conclusion. And then my time is up for this round. Given that scenario that you have both testified to very clearly, and what we all know from the information that comes to us and other sources, we cannot justify not going ahead with some of these programs in some numbers, just because the threat has been reduced. Or to put it another way, I do not think that there is a chance of a Soviet nuclear strike as much as there was 2 years ago. And I do not think it was very high at that time, because of our nuclear deterrent. I think that certainly is less likely even today, given the new scenario.

Yet, I am not sure that it is wise for us to say, well, we do not have to worry about that because of their intentions. That is not the way we have maintained the security of the United States in the past. We must not ignore the Soviet capabilities.

Thank you. Senator Levin, you are next.

Senator **Levin**. Thank you, Mr. Chairman.

I certainly agree with the last comment of the chairman, that just because the Soviets are reducing their conventional capability, we should just not worry. We should worry. We got 4,000 survivable nuclear warheads now. After a surprise attack, we will continue to have about 4,000 nuclear warheads following a surprise attack, even if they increased the number of their warheads, or that they go mobile, because of the warheads that we have on planes and at sea. That number is not going to be affected very much by whatever they do.

And I would suggest, General, to use your words, that a lot then becomes background music, or background noise—as I believe you said. Because they could double or triple or quadruple their force, and our survivable capability is not basically affected. And, therefore, deterrence is going to remain.

But what I would like to press you on is your comment, which I was intrigued with, about the fact that you do not think that the Soviets you said would be hard pressed to agree to a ban on MIRVed ICBMs, and whether mobile or otherwise. And I am wondering, whether or not, if they did agree to it, you would have a problem with such ban?

General **Chain**. No. If I could trade off our MIRVed ICBMs for the Soviet MIRVed ICBMs, it would be very nice.

Senator **Levin**. Mobile or otherwise?

General **Chain**. Mobile or otherwise. Because look at the trade. If you just took, assuming meaning heavy MIRV, and that you would exclude the Minuteman III, which only has three warheads on it. But just about the whole Soviet ICBM posture is MIRVed.

As I say, the SS–17, which they have 72 of, has four warheads on it; the SS–18s, which they have 308 of, has 10 warheads on it. The SS–24s, which they have 40 in silos have 10 warheads on it; and the SS–24s which they have on trains, of which they have 27; have 10 warheads on it. For them to give all of that up—which I find very difficult, if I were a military officer in the Soviet Union—for them to give all that up to go single warhead, that would be a fine trade, to go down to low MIRVs, so as long as our Minuteman III counted.

Senator **Levin**. Now, just talking about mobiles. Would that be a good trade, for them to trade away the SS–24s and SS–25s for our mobiles or MXs or our Midgetmans?

General **Chain**. If this country would not deploy a mobile system, then it would be imperative for them to trade it away. I personally think it is healthy for them to have mobile systems, as long as we too have mobile systems. Because I think both sides then add to the stability equation. And I think that would be good.

Senator **Levin**. You are opposed to a ban on MIRVed mobiles in exchange for a ban on MIRVed mobiles, just the MIRVed and just the mobiles? I am not talking about a ban on all mobiles. I am just talking about a ban on MIRVed mobiles. Would you exchange a ban on our MIRVed mobiles for a ban on theirs?

General CHAIN. For something that we do not have, for something that they do have, I would be delighted to do that. But I do not think that—because I can deter today without MIRVed mobile.

Senator LEVIN. I understand.

General CHAIN. And that I think that would be healthier for both sides to have the mobile missile.

Senator LEVIN. But you would support a ban on MIRVed mobile ICBMs?

General CHAIN. I would not have any problem with that.

Senator LEVIN. All right. You said, I believe, last year that the only scenario that you could see leading to a U.S./Soviet strategic nuclear exchange would be an outgrowth of a superpower conventional conflict that escalated to the use of tactical nuclear weapons. Would you agree that the prospect of a superpower conventional conflict has been reduced?

General CHAIN. I would say that it has been reduced significantly. But I would not say that it is out of the realm of probability, because again, you go back in history, and you obviously studied history, so you cannot discount it.

Senator LEVIN. I understand. But there has been a significant reduction——

General CHAIN. Absolutely.

Senator LEVIN [continuing]. In the probability of superpower conventional conflict?

General CHAIN. I believe so.

Senator LEVIN. Therefore, would you then agree, following last year's testimony, that there has also been a significant reduction in the likelihood of superpower nuclear conflict as a result of these recent events?

General CHAIN. Yes, I would. But not through the—not the remaining capability to change that equation quickly.

Senator LEVIN. At least the likelihood has been significantly reduced.

General CHAIN. Absolutely. Certainly.

Senator LEVIN. And it was pretty low to begin with. Was it not?

General CHAIN. I have always contended that, that is why I am not a big "bolt out of the blue" believer.

Senator LEVIN. Well, except you do want to be able to defend against the "bolt out of the blue" attack, I gather?

General CHAIN. That is part of our responsibility.

Senator LEVIN. Would you, again, just going back to MX Rail Garrison for a moment, that system, would you not agree is not survivable against a "bolt out of the blue" surprise attack?

General CHAIN. The way you phrase it, the answer will have to be, yes. However, as I say, and you seem to agree, you do not believe in a "bolt out of the blue." I do not believe in a "bolt out of the blue." And there will either be something that is going to take place in the world at which time we could move those out on the trains, where they will not only be survivable but would increase the stability.

Senator LEVIN. I do not think either one is rational, and I do not think you do either from last year's testimony. But my very narrow point is, that the MX and Rail Garrison is not designed to, nor is it intended to survive a "bolt out of the blue" attack. Is that a fair statement?

General Chain. That is a fair statement. Just like every other ICBM that we have, it can be fired from garrison within 2 minutes. And so the survival against the "bolt out of the blue" attack is the President making an early decision. And that is why I am in favor of the Rail Garrison, so that the President would not be forced into——

Senator Levin. I know, I know. But, General, just to be straight with each other—and you are straight—the Rail Garrison before it is mobilized, in sitting in garrison, is not designed to be or intended to be survivable against a "bolt out of the blue" attack, any more than any silo-based missile.

General Chain. Any more than any silo-based, absolutely.

Senator Levin. Now, on the question of the concurrency of the MX. Have you read the GAO study?

General Chain. On the MX?

Senator Levin. Yes.

General Chain. Yes.

Senator Levin. Are you familiar with the testimony of Chuck Bowsher?

General Chain. No.

Senator Levin. He raises some real problems in terms of the concurrency issue on the MX, because he says that the first flight test of a completed weapon system is not scheduled until the spring of 1992. But that we will be making a procurement decision for about two-thirds of them before that. Do you agree that procurement decision on 16 of the 25 trains is intended to be made in February 1991, but that the first flight test of a completed weapon system is not scheduled until the spring of 1992? Just the timetable, do you agree with that?

General Chain. I understand that. I would have to get the—I can provide my answer for the record, because I do not know what the acquisitions are.

[The information follows:]

The current program acquisition schedule indicates a February 1991 production decision to support procurement of 16 trains using two separate contract awards. The fiscal year 1991 Presidential budget submittal provides for a buy of seven trains in fiscal year 1991 to support the first contract award and a buy of nine trains in fiscal year 1992 to support the second contract award. The first weapon system flight test is planned for the third quarter of calendar year 1992.

Senator Levin. My time is up. Thank you.

Senator Exon. Thank you, Senator Levin.

We are going to have another round. Senator Shelby, you would be next.

Senator Shelby. Thank you.

Mr. Chairman, I just got in here, and I do not know if I will be plowing old ground or not. How are we going to afford a reliable advanced launch system that I believe will be an important national security challenge in the United States? I believe, those are your words, General. Have you already been over that?

General Piotrowski. Yes, sir.

Senator Shelby. Would you like to comment?

General **Piotrowski**. Sir, the current systems need to be improved in their responsiveness. I speak of the Titan-2 the Delta-2, the Titan-4 and soon the Atlas-2. The Air Force has an advanced launch development program to develop the technologies which can be put into those systems to move us into that position.

Senator **Shelby**. Now that it is being done in connection with NASA, is it not, as far as propulsion is concerned?

General **Piotrowski**. I believe there is an interrelationship between both NASA and the Air Force on that.

Senator **Shelby**. Do you know how that current relationship is working?

General **Piotrowski**. No, sir, I do not. That is on the acquisition side of the house. I am certainly interested as an operator and applaud the effort to move forward. We clearly need to do that.

Senator **Shelby**. We need to go to the next generation. Do we not?

General **Piotrowski**. Yes, sir. And we need to also apply the technology to what we have.

Senator **Shelby**. Well, I had hoped we are doing that. Would you not?

General **Piotrowski**. The Chief of Staff of the Air Force has promised that they are moving in that direction. I know they have a program to do it.

Senator **Shelby**. Let me shift over to SDI. I do not know if that has been plowed or not. I would assume it had been earlier today.

General **Piotrowski**. It was touched on, sir.

Senator **Shelby**. Touched on probably in depth. As far as the R&D is concerned at this moment, I have been a big supporter of that both in the House when I was there, and in the Senate. I am also concerned, as Senator Nunn, the chairman has been about an accidental launch, a Third World launch, et cetera.

Where are we, and are we going to get away from Brilliant Pebbles? Are we going to stay with that? What is your judgment?

General **Piotrowski**. Sir, I believe that the scientific community, as well as General Monahan, believe that we need to move toward the Brilliant Pebbles concept, that it is lower cost, more flexible, and provides a much——

Senator **Shelby**. More doable, maybe?

General **Piotrowski**. More doable, and it is less reliant on a sophisticated command and control net and also gives you more weapons for far less cost. So I am convinced that Brilliant Pebble is the answer. I believe the technology is there.

Senator **Shelby**. But not a total answer, is it?

General **Piotrowski**. I am convinced that one needs to have an in-depth defense, and while you have this early space-based capability to kill boosters you also need to be able to preferentially or adaptively defend the targets you hold dear.

Senator **Shelby**. Could you, getting back to the relationship between the Air Force and NASA in dealing with the advanced launch system, for the record find out what is going on there and furnish that to the committee?

General **Piotrowski**. Absolutely. I would be pleased to do that, sir.

Senator SHELBY. Where they are and how they are working together?

General PIOTROWSKI. Yes, sir.

[The information referred to follows:]

Last year, the ALS Program was restructured, with the program's focus becoming technology development rather than operational system development. This new effort is called the Advanced Launch Development Program (ALDP). The key element of ALS has been retained—the development of a nominal booster engine designed to be used with a variety of boosters. However, 20,000 lbs is the smallest payload weight that can be cost-effectively launched by the family of vehicles for which the engine is being sized. Even at the top end of DOD's current and programmed satellites, payloads are only about half that weight.

Neither the ALS or the ALDP address our requirements for "combat launch"-a launch capability that is responsive, survivable, flexible and oriented toward mid-to-low end of the payload spectrum.

The ALDP is a joint DOD-NASA acquisition/development program. Within DOD, Air Force Systems Command is responsible for the management of the program. As such, U.S. Space Command has no direct involvement with the program management of this effort. The propulsion work, which is the program's primary focus, continues to be carried out at Marshall Space Flight Center under NASA oversight.

Senator SHELBY. Thank you, Mr. Chairman. That is all I have.

Senator EXON. Thank you, Senator Shelby.

General Chain, I thought the GAO report had some good thoughts and questions in it with regard to concurrency problems and so forth, but I thought there was an awful lot of overreach in the GAO report on some issues. One of the overreach questions is what would happen to the rails and how it would adversely affect commerce after the President had ordered the SAC commander to roll out that Rail-Garrison MX somewhere along the predetermined rail tracks and then fire, a decision and action which would clearly indicate that there was an all-out nuclear exchange going on between the United States and some other country.

The GAO had a concern about what damage you people in the Air Force would do to the rails after you fired such a missile. I thought you might like to comment on that.

General CHAIN. First, it does not surprise me that the GAO would make such a comment. But as far as the validity to the dialogue about Rail Garrison, it has nothing to do with it.

If we end up firing Rail Garrison missiles, that means that the Soviets have probably sent 8,000 to 10,000 nuclear weapons into the United States, and any resultant damage to the tracks from having fired a Peacekeeper missile back at them is really not consequential.

But if you want to really get to the serious part of it, we have worked with the railroad industry, both management and labor. They all support what we are doing. We have test-fired a shape, if you would, to see what the impact was, and it did not have a significant impact in the rails. In fact, our plan is to be able to fire one, move the train off before we fire a second missile.

So the damage to the tracks from firing a Peacekeeper missile from a Rail Garrison train is going to be minimal. The damage to the United States resulting because we have gone to nuclear war will be catastrophic.

Senator EXON. You are testifying, then, that in such an eventuality commerce could move over the rails shortly after you fired the missile. Is that right?

General CHAIN. If there is any commerce left to move, it could move over the rails, yes, sir.

Senator EXON. Good. Thank you. That is what I wanted to get to, General.

I am going to ask both you and General Piotrowski this question, and I do not want to get into classified areas, but earlier, General Chain, you know that there was some discussion about not having our Looking Glass aircraft that has been part of our national security for a long time.

I take it that there was some inclination in the Air Force to think that we could save money without sacrificing our national security interests. This is the case because of the new intelligence data that we have now from satellites that at one time only the Looking Glass plane could supply.

Would you please comment on the decision to limit the flying time of the Looking Glass plane and the budgetary implications?

General CHAIN. That airplane has been in business, sir, for about 28 years now. It has served our country extremely well. It continues to serve our country extremely well. Twenty-eight years ago, we did not have the intelligence capability that we have today, and so we had an airborne command post so that any "bolt out of the blue" could not capture it on the ground.

All of our bombers and tankers are on basically 15-minute alert, those aircraft that are on alert. I am quite confident that we will be able to get them airborne because of General Piotrowski's systems and what have you and him getting the word to us to be able to get those bombers and tankers airborne.

I think that we could probably do the same thing with the Looking Glass. I made that recommendation because we are looking every place we possibly can to save a dollar anywhere, and we could save quite a few dollars if we put the Looking Glass on a ground alert posture, where it too could be airborne within 15 minutes.

Unfortunately, before it got through the Washington bureaucracy—it had gone as far as the Joint Chiefs of Staff, but before it got over to the White House to be able to be addressed by the President it ended up, through a press release or leak somewhere, in the newspaper. So the President, the first time he sees it is in the newspaper.

Now I am speculating, but assume that he did not think, with the status of negotiations with the Soviets, that that was a proper signal, so we were told out of Washington not to do that and we have not done it.

I think that after the START agreement is initialed or signed that that subject probably will be readdressed because there is some savings to be made there. But I am not going to readdress it until the next step, and if we improve our relationship with the Soviets I think—and that is why I made the recommendation in the first place—that we could save some money by putting Looking Glass on a ground alert status.

Senator EXON. Well, I am glad the leak appeared in the paper because I suspect as we go combing through this budget that is one of the things that we are going to look at closely.

General Piotrowski, I assume that you and your command are very closely interlinked with the Looking Glass, and I would like to have your view as to whether or not, given some redundancy that exists today in our intelligence capabilities, we could look at some cutbacks in the Looking Glass operation.

General PIOTROWSKI. Sir, as General Chain has mentioned, it is my responsibility, of course, to pass to General Chain immediately any information that we have that would indicate that an attack is coming, and I believe we could give him, from an ICBM attack, a 30-minute warning.

On the other hand, if the Soviets are to move in submarines off our coast with rather short time lines, then that becomes a different matter. Then it is a question of whether we would have sufficient warning to where General Chain could in fact get those airplanes airborne.

The posture of the Soviet Union today is such that their submarines are such that our warning time is measured in minutes. If General Chain is confident that he can get his airplanes airborne, then I think that is his decision to take. I believe that we can adjust, based on information we have on Soviet submarines. We can of course inform him as to the warning time available and he as the responsible commander can then take the decision he needs.

I have always felt comfortable with Looking Glass airborne, especially when Soviet submarines gave us very short response time. I think General Chain is exactly right. With the current posture, he could count on the warning time.

Senator EXON. Thank you.

Senator Shelby, do you have further questions?

Senator SHELBY. I have no more questions, Mr. Chairman.

Senator EXON. Thank you. Gentlemen, I just have one last question and I will direct this to General Chain.

But, before doing that, I would like to say there have been a series of questions submitted for the record that we will be forwarding to you, and we would like to ask that you respond to those in your usual prompt fashion at your first convenience.

General Chain, there have been questions asked during our threat assessment hearings regarding one other phase of the B-2 systems that we have not covered today, and this will be the last question, as far as I know.

As I understand it, the Air Force has come up with what I think is somewhat of a grandiose plan to build what has been described as super-hangars for the B-2, one each—one super-hangar for each B-2, whether that is 15 of them or 132.

And we have heard all kinds of reasons for that. I asked the Secretary of Defense about that, and he said, well, they needed those hangars because of the stealth coating. It could not stand out in the weather like the exterior of a B-52 could. And, besides, the cockpit would get so warm if it was standing out in the sun that it would not be ready for instant flight.

Thereafter, the contractor came to see me and said, that is not right. The Secretary does not have the right grasp of the issue. The B-2 aircraft is as tough as any other aircraft that we have ever built, if not tougher. We do not need grandiose hangars from the standpoint of either protecting the stealth characteristics or air-conditioning of the cockpit.

The contracter did make the point that naturally if you keep your car in a garage they are going to last longer and the maintenance is likely to be less.

We heard other testimony from people that indicated that, we have got to have these hangars because we cannot have maintenance performed out in the cold, in sub-freezing temperatures; it is just not practical. My answer to that is that I suspect that United Airlines does not have all of their repair work done in the cold, that I suppose United Airlines has some kind of a system where they rotate their commercial fleet in and out of hangars when they need overhaul.

Could you give me some logical scenario as to why, with all the other problems we have with the cost of the B-2, that we should be trying to tack on an additional, in round figures, $2 billion for super-hangars?

General CHAIN. Yes, sir, I would be delighted to address it. First of all, with all due respect, I think that the number, which is still a high number, is closer to $450 million rather than $2 billion.

Senator EXON. I like what you are saying already.

General CHAIN. The number that you are quoting is all the military construction for all the bases is about $1.9 billion, and out of that about 25 percent of it is for the hangars.

You have already identified the primary issue, and that is our concern about the work force. The aircraft will probably be in our inventory 45-plus or minus years, not just a few years but for many, many years. And if you are going to keep an aircraft with that technology around a long time and you amortize it over a period of time, that is pretty good return on your investment.

The probability in a 45-year time of 132 airplanes, using historical examples, one or two of those airplanes will probably catch fire on the ground, believe it or not. One of the things we are going to do in the hangar is to have a fire suppressant system, an automatic fire suppressant system, so that it is more than just a fire truck trying to respond. With the value of the airplane, I think it is wise to be able to do that.

People have said and I have seen news reports saying this is going to be an air-conditioned hangar. Yes, it is going to be air-conditioned. We are going to raise the temperature in the hangar in the winter up to 40 degrees. There is no provision to lower the temperature when it gets hot in the summer, except by opening the door.

So it is not a grandiose hangar. It is not going to have plush cushions, unless the airmen get together and buy something to sit on. But the structure itself is fairly large. You saw a similar structure when you were at the B-2 roll-out there in California.

So that is the size we are talking about. We are talking about a very large physical facility that is basically going to have enough heat in it to raise the temperature to 40 degrees in the middle of the winter and fire suppressant, and that is going to be the major interest that we have in those hangars.

So could we do without it? Yes, we have a whole fleet of aircraft that are out there, and all you have to do this time of the year is go to Minot and see those young kids out there at sub-zero temperatures trying to work on an airplane at 2 o'clock in the morning.

I think if we are going to buy an airplane with the expense that is involved with the airplane, it makes sense to put it in a garage.

Senator EXON. And you say a garage for each and everyone of them?

General CHAIN. And I say a garage for each and every one of them, which we hope to have a significant percentage of them on alert, and I think that that is going to be, in the end result, a good return on investment. If we save one airplane in 45 years, we have already paid for the whole thing.

And even if we do not have to save an aircraft in that 45 years, we are going to have 45 years where young airmen are going to be able to work in an environment which their predecessors did not have the privilege of working in.

Senator EXON. You are a great general and you are a pretty good salesman, but you have got some more selling to do on that.

Gentlemen, I thank you so much for being here. It has been a very informative hearing and we salute you again for the tremendous job that you do for the United States of America and the free world. Come back and see us often.

With that, we are adjourned.

[Questions for the record with answers supplied follow:]

QUESTIONS SUBMITTED BY SENATOR JOHN GLENN

B-2

Senator GLENN. General Chain, as you know, for several years I have expressed reservations about the cost and technical risks of the B-2 development and production program. Last year I wrote the Secretary of Defense urging him to suspend production of the B-2 until adequate flight testing could be completed.

I made the same recommendation to this committee, but the committee rejected the recommendation when the Air Force told us that it would cost nearly a billion dollars in fiscal year 1990 whether we bought any airplanes or not. However, at my insistence, and the insistence of others on this committee, the obligation of fiscal year 1990 B-2 procurement funds was linked to successful completion of early Block One and Block Two flight testing.

What is the status of B-2 flight testing, and when does the Air Force estimate they will meet the Block One and Block Two testing milestones?

General CHAIN. As of 16 March 1990, the B-2 has completed eight test flights and is currently being reconfigured for further tests. Detailed dates and milestones are SAR, thus that data must be obtained through another channel.

B-2 FOLLOW-UP

Senator GLENN. I understand that unlike fiscal year 1990, obligation of procurement funds for the five aircraft requested for fiscal year 1991 and subsequent years, is subject to successful completion of comprehensive ground and flight test milestones. These are outlined in the B-2 Systems Maturity Matrix that is part of the B-2 Test and Evaluation Master Plan (TEMP).

Are you familiar with the flight test criteria contained in the Matrix, and if so, will you tell the committee some of the operational performance criteria that must be met before the fiscal year 1991 procurement funds could be obligated.

General CHAIN. The performance criteria intended to be accomplished before the fiscal year 1991 production decision can be found in the system maturity matrix and are listed as follows:

MISSION PERFORMANCE

A. Operational Mission Capability—fiscal year 1991 production decision.

Lab: Final preflight survivability analysis completed.

B. Weapons Carriage—fiscal year 1991 production decision.

Lab: Demonstrated launcher durability and damage tolerance. Assessed functional configuration of the launcher shaft assembly. Demonstrated weapon to rotary launcher compatibility and the rotary launcher to air vehicle interface on mock-ups.

C. Weapons CEP—fiscal year 1992 production decision.

Flying Test Bed (FTB): Initial navigation accuracy assessed.

D. Terrain Following/Terrain Avoidance (TF/TA)—fiscal year 1991 Production Decision.

Lab: Demonstrated TF/TA system operation in the flight mission simulator.

FTB: Demonstrated the radar's TF mode range, accuracy and tower detection performance on the avionics flying test bed.

E. Navigation Accuracy—fiscal year 1991 production decision.

FTB: Demonstrated ground and air alignment modes. Completed radar integration. Demonstrated radar updates and continuous star tracking.

F. Radar—Coherent Map Mode (CMM)—fiscal year 1991 production decision.

FTB: Demonstrated radar subsystem ability to update the navigation subsystem with the CMM.

G. Command and Control—fiscal year 1991 production decision.

Lab: Demonstrated Communication and Traffic Control (C&TC)

B-2: Demonstrated basic communications and traffic control capabilities.

H. Crew Workload—fiscal year 1991 production decision.

Lab: Evaluated 50 percent of A/V-3 task time lines. Demonstrated A/V-1 crew workload on the flight mission simulator.

A/V-1: Pilot workload validated in flight.

LOW OBSERVABLES

A. Signature—fiscal year 1991 production decision.

Lab: Estimated air vehicle RCS from model and component testing.

B-2: Preliminary RCS baseline signature assessment accomplished.

B. Radar-low probability of intercept—fiscal year 1991 production decision.

Lab: Validated antenna performance assumptions used in Low Probability of Intercept (LPI) analysis.

FTB: Determined power levels for acceptable picture quality. Validated power vs range model predictions.

AIR VEHICLE PERFORMANCE

A. Aero performance—fiscal year 1991 production decision.

B-2 estimated vehicle flight characteristics in initial envelope expansion.

B. Flying qualities—fiscal year 1991 production decision.

Lab: Flight control laws developed through the use of engineering simulators. Pilot evaluations completed in the engineering simulator and total in flight simulator (TIFS).

B-2: Demonstrated acceptable initial air vehicle flying qualities. Preliminary evaluation of handling characteristics behind tanker, in visual landing pattern and during ground handling.

C. Structural integrity—fiscal year 1991 production decision.

Lab: Completed two lifetimes of load testing on two major load carrying structures. Started the first life durability test on complete airframe.

B-2: Completed initial flutter and buffet flight tests. Completed control surface proof tests.

D. Air refueling—fiscal year 1991 production decision.

FTB: Demonstrated radar beacon capability on the avionics flying test bed.

B-2: Established an initial air refueling envelope for use in the B-2 test program.

INTEGRATED LOGISTICS SUPPORT

A. Reliability—fiscal year 1991 production decision.

Have Fracas in place to track failures during test. Demonstrate the ability to collect and analyze air vehicle reliability data. Establish ability to track reliability growth and identify problem subsystems.

B. Maintainability—fiscal year 1991 production decision.

Have Fracas in place to track failures during test. Demonstrate the ability to collect and analyze air vehicle maintainability data. Establish ability to track maintainability growth and identify problem areas.

C. Technical Data—fiscal year 1991 production decision.

Organizational Manuals 85 percent written, 12 percent validated and 7 percent verified.

MISSION PLANNING SYSTEMS

Fiscal year 1991 production decision.

Test Mission Data Preparation System (TMDPS) available for flight test operations. Strategic Mission Data Preparation System (SMDPS) hardware suite identified and initial software coding and integration begun. AFAS adds modification to current SAC planning system in final coding and testing.

TRAINING SYSTEM

Fiscal year 1991 production decision.

Other: Design of maintenance trainers complete. Training course development 50 percent complete. Elements of weapons system trainer in-plant verification started by contractor. Subcontractor software elements (electronic combat environment and mission generation system) completed stand alone testing and ready for integration.

Senator GLENN. General Chain, in your written testimony you state that you have dedicated 33 B-52Gs to the conventional mission.

Are the B-1 and B-2 also part of your conventional contingency plans? If they are, how do you propose to employ them?

General CHAIN. Presently, the B-52G is the backbone of SAC's conventional combat capability. However, due to budget cuts we face the possibility of retiring all 33 conventional capable B-52Gs. Continued support of the Unified CINCs' needs require we aggressively pursue conventional improvements, both in the size of a committed bomber force and in the sophistication of its weapons arsenal.

We have completed Developmental Testing (DT&E) on the B-1 and are now conducting Follow-on Testing and Evaluation (FOT&E) to mature the system, train aircrew and maintenance personnel to achieve an operational capability. We envision completion by mid-1991. We are currently studying applications of the projected capability for use in contingency operations. Final resolution on use will follow completion of the FOT&E.

Several conventional munitions are presently baselined on the B-2. As the aircraft completes testing and achieves operational status, it too will be evaluated as a conventional contingency platform. The combination of the aircraft characteristics and baseline weapons offers this country a unique and quite formidable capability.

ADVANCED CRUISE MISSILES

Senator GLENN. General Chain, the unclassified DOD Weapon System Guide for fiscal year 1991 describes the operational capability of the Advanced Cruise Missile (ACM) as follows:

"The ACM will allow SAC bombers to cover the entire Soviet Union from launch points beyond the range of far-forward defense. Its low observable design and terrain-following capability insures high probability of defense penetration. The highly accurate navigation system provides hard target kill capability."

General Chain, is this description of the ACM capability essentially accurate?

General CHAIN. Yes.

Senator GLENN. Given the extraordinary potential of this long-range, strategic missile which can be safely launched from a B-52 or a B-1, it would seem to me that we should now consider shifting the emphasis of the air breathing (third leg) of the Triad from penetrating bombers to stealthy cruise missiles. How would you respond to such a proposal?

General CHAIN. No, cruise missiles complement but are not a satisfactory substitute for a penetrating bomber. A cruise missile still has the attributes of a missile. It does not have the attributes of a penetrating bomber in terms of flexibility, adaptability, yield and efficiency.

While ACMs add mass to the bomber attack to saturate enemy air defenses and are very capable against some preprogrammed, fixed targets, they have several disadvantages compared to penetrating bombers. They cannot be retargeted after launch, cannot be used against look-shoot targets or against relocatable targets, are not suitable for area targets, and cannot react to defenses along the route of flight.

The capability to adapt to new tactics and missions is the most important attribute manned penetrators possess. An airframe optimized for the standoff role, or built around a single weapon system such as ACM, cannot readily adapt to a changing environment and a reactive threat. Additionally, and very importantly, our sole reliance on cruise missiles would greatly simplify the problem for Soviet defenses.

Without penetrating bombers, the Soviets could concentrate their efforts against a relatively small number of cruise missile carriers. Remember, one of the reasons we have a Triad of forces is to complicate the attack so that the Soviets view defeating the attack as futile. Penetrating bombers and cruise missiles are complementary, not competitive, systems that serve this Nation well by strengthening deterrence.

Senator GLENN. In your testimony you describe several categories of strategic targets, all of which the ACM could effectively strike, with the possible exception of dispersed mobile targets. Given the post-nuclear exchange role of the air breathing leg of the Triad, is it really cost effective to develop a penetrating bomber just to attack "look-shoot" targets or search for mobile targets?

General CHAIN. The question misses the point by focusing on how a nuclear exchange would be prosecuted. The real issue is how can we strengthen deterrence and prevent a nuclear exchange in the first place? To retain high confidence in our deterrent capability, we must maintain the robust, resilient qualities embodied in the three legs of the Triad. The B-2 will guarantee the continued credibility of the bomber leg of the Triad years into the future and deter war by giving us an efficient, versatile, stabilizing system capable of holding at risk about 60 percent of the target base.

Regardless of the outcome of Soviet reforms, there will be a substantial array of nuclear delivery systems, weapons, and facilities in the Soviet Union for many years to come. We need a bomber like the B-2 that the Soviets know can penetrate defended areas and deliver the weapons needed for a spectrum of these targets. The Soviets are deterred not by the speed of retaliation but by the certainty of such retaliation. Deterrence is a burden we cannot avoid. To this end, the B-2 cost is not low, but it is affordable and its strategic value is very high.

SR-71

Senator GLENN. General Chain, as you know, SAC, the Air Force and DOD have been successful in terminating the SR-71 program. In my opinion, this may be one of the worst tactical and strategic errors DOD has made in recent memory.

Will you tell the committee what is happening to the SR-71 assets?

General CHAIN. [Deleted.] The remaining airframes are being transferred to various museums and military bases for static display. Remaining support assets, sensors, and intelligence processing systems are being productively transferred to other mission requirements. Nonproductive equipment will be disposed of following governing regulations.

Senator GLENN. Will we retain a contingency capability to redeploy the SR-71 system, and, if so, how long will it take to accomplish?

General CHAIN. Congress' request to retain the SR-71s for a potential future requirement was not accompanied with the directed funding to make regeneration responsive. [Deleted.] Future regeneration response will rapidly become increasingly difficult due to progressive loss of expertise, loss of contractor support and increasing costs.

SR-71 FOLLOW-UP

Senator GLENN. General Chain, General Piotrowski, once again, DOD is making the case that the U.S. needs an ASAT capability, in large part due to the threat posed to our satellites by the Soviets. Yet despite this claim of the vulnerability of our space-based reconnaissance assets, last year the Air Force successfully moved to terminate the SR-71 program, the only true survivable air-breathing reconnaissance platform in our inventory.

Does this not seem contradictory to one or both of you?

General PIOTROWSKI. Since the SR-71 belongs to Strategic Air Command, U.S. Space Command was not involved in the DOD trade, or discussions and the decision to deactivate the SR-71. Without being involved in that process, it would be inappropriate to comment on the logic of the decision.

With regard to our advocacy of an ASAT weapon, it is important to note that the underlying need is not based on the vulnerability of our reconnaissance force—either space-borne or air breathing—but on the threat posed by Soviet space systems to U.S. and allied soldiers, sailors, airmen, and marines.

You are correct that some U.S. space systems are vulnerable to Soviet ASAT attacks. We continue to request funding to improve the survivability of U.S. space systems and our ability to reconstitute space systems if they are successfully attacked.

General CHAIN. The SR-71 program was terminated due to budgetary constraints. Program cost was the issue—not survivability of the SR-71 over satellites.

MANPOWER/PERSONNEL

Senator **Glenn**. For General Chain and General Piotrowski: Last year the Manpower Subcommittee, which I chair, took a number of steps to strengthen our personnel readiness and quality of life programs, including a 3.6 percent pay raise, a comprehensive revision of aviator career incentives, major changes in medical incentives, reduced premiums for the survivor Benefit Plan, new child care provisions, and many other measures designed to enhance combat readiness while improving the quality of life of our servicemen and women and their families.

General Chain, in your written testimony you state: "People Programs continue to erode." Could you provide some specifics on this erosion, and also your assessment of how the actions we took in the fiscal year 1990 Defense Authorization bill are working overall?

General **Chain**. Recent efforts, including the 3.6 percent pay increase, increased medical and aviator incentives, expanded child care provisions, and various other measures are indeed positive signs. However, offsetting these efforts are concerns over whether the military will be able to continue to provide a reasonable quality of life and bright future. Even with recent pay increases, military pay continues to lag its civilian counterpart by 11.4 percent. The recent Medical Officer Retention Bonus appears to be an interim fix to a worsening retention problem. Reduced Operations and Maintenance funding has made the services more dependent on nonappropriated funds—money out of the serviceman's pocket—to support MWR programs. The Military Personnel Appropriation shortfall may lead to unprogrammed personnel cuts, causing even greater uncertainty about the viability of a military career.

As we continue to transition through this period of turbulence, we can't forget the promises made to the men and women of the all-volunteer force. Otherwise, years of experience essential to the sustainment of the career force will be lost. With Congress' continued help, we can prevent this from happening.

Senator **Glenn**. General Piotrowski, could we have your assessment?

General **Piotrowski**. It is somewhat early to assess the total impact of the steps taken by the Manpower Subcommittee to strengthen personnel readiness and quality of life programs, but they certainly were positive ones that will help enhance readiness and assist in providing the quality of life our service men and women deserve.

Medical incentives designed to improve retention of experienced physicians and nurses are having a positive impact, with military readiness and military personnel and family members as the beneficiaries. Personnel retiring from active duty are benefiting from reduced Survivor Benefit Program Premiums provided for by the fiscal year 1990 Defense Authorization bill.

However, the pay difference between the private and the military sectors continues to increase—from equity in fiscal year 1982 to a 11.4 percent gap in fiscal year 1990. Based on current projections of a 3.5 percent pay raise in fiscal year 1991, this gap is expected to increase to 12.9 percent.

It is essential that we recognize the sacrifices and contributions of our military members and their families. The gains we have made so far have been important, but just as important to the morale of the force and to the retention of quality people is the continued pursuit of quality of life efforts.

B-1

Senator **Glenn**. General Chain, in your written testimony, you stressed the importance of completing the CORE electronic countermeasures program and installing a radar warning receiver to improve the B-1B's effectiveness.

What is the status of the ongoing CORE development program?

General **Chain**. The CORE critical design review was held January through February. Two issues, the central integrated test system's fault detection capability and receiver processing of strong signals, require further work on AIL's part. Completion of system integration testing has slipped 2 weeks to 13 April 1990. Contractor diagnostic flight tests will start in mid-April and sell-off flight tests will start in mid-July.

Senator **Glenn**. In your opinion, will the completion of the CORE program and the installation of a radar warning receiver finally correct the B-1B's EW deficiencies?

General **Chain**. CORE plus a radar warning receiver will fulfill our near-term requirements. We are currently studying B-1 far-term penetration requirements to ensure far-term survivability in parts of the Soviet Union.

Senator **Glenn**. What is the status of the Air Force plans to restore $418 million from the expired/lapsed "M" account to be applied to the CORE program?

General CHAIN. On 24 January 1990, the Secretary of Defense sent a letter to Congress requesting approval to obligate $120 million of "M" account funds to complete CORE development. After successful completion of the development program, the Air Force will request the remainder of the $418 million ($298) needed to complete the CORE program. Subcommittees from both the House Appropriations Committee (HAC) and the Senate Appropriations Committee (SAC) held hearings on CORE funding during the week of 5 March. The HAC approved the $120 million, but the SAC approved only $31 million. The $31 million will carry AIL through 31 May 1990, requiring the Air Force to ask for additional funding to continue the program beyond May.

KC-135

Senator GLENN. General Chain, as you indicated in your testimony, the KC-135 tanker plays a vital role in accomplishing SAC's mission. Since most aircraft are refuelable, the same tankers are required to support conventional missions including deployments and support of tactical operations, which has exacerbated the critical tanker shortfall.

Recognizing that the changes in Eastern Europe and the rest of the world may allow us to bring some of our forces home, the need could exist to quickly deploy forces over a great distance, which would certainly require even greater tanker resources. However, I note that even though only a little over half of your 600 tankers have been modified, the Air Force has again requested only 24 aircraft in fiscal year 1991.

What is the operational and fiscal impact of not modifying aircraft at an efficient rate?

General CHAIN. The primary mission of the KC-135 fleet remains support of the SIOP; however, the role of tankers has expanded considerably. Today, SAC tankers refuel strategic bombers, cargo aircraft, USAF fighters, AWACS, post-attack command and control system assets, Navy/Marine/allied fighters, airborne command posts, reconnaissance, weather assets, and other tankers that are air refuelable. As the Air Force manager for air refueling assets, meeting all requests from the agencies is a tremendous task, so obviously more modified aircraft would make my job easier.

The KC-135R modernization program was initially planned to achieve a maximum economic production rate of 72 aircraft per year and be completed by fiscal year 1995. Subsequently, several budget decisions reduced the rate to 36 kits per year, the minimum economic order quantity. That level remained stable until the current funding constraints reduced the level to 24 kits per year. These reductions to the program have produced monetary penalties associated with program stretch-out and resulted in a loss of potential air refueling capability.

The breakout below shows the fiscal impact on the cost per aircraft at varying kits per year:

72 kits per year—approximately $17.5 million per aircraft; 50 kits per year—approximately $18.5 million per aircraft; 36 kits per year—approximately $18.8 million per aircraft; 24 kits per year—approximately $19.1 million per aircraft; 12 kits per year—approximately $28.0 million per aircraft.

Currently, 187 aircraft have been modified.

Senator GLENN. Would you personally support modifying additional aircraft in fiscal year 1991?

General CHAIN. In a fiscally unconstrained environment, modification of KC-135s at the maximum economic rate would be advisable. Operationally, more than 24 kits per year are justifiable—the military needs more air refueling capability. However, in today's fiscal environment, 24 kits per year is an acceptable production rate.

ULTRA-WIDEBAND SYSTEMS

Senator GLENN. General Chain, a series of articles in Aviation Week last December addressed the potential capability of Ultra-Wideband Systems, such as Impulse Radar, to detect stealth aircraft. The article indicated that proponents of the new technology were being opposed by a powerful military, industry and congressional consortium that has invested heavily in stealth technology. A December 4, 1989, Aviation Week editorial stated that the controversy the radar technology has sparked ". . . continues to rage behind closed doors in the Pentagon and a number of laboratories . . ."

Are you familiar with Impulse Radar Technology, and, if so, does it have significant potential to detect stealth aircraft?

General **Chain**. Yes, the Air Force is familiar with impulse radar technology, and research has been conducted to determine impulse radar's capabilities. However, as we have said before, an air defense system must complete an engagement chain: from initial detection, through track initiation and handoff, to missile flyout and fusing. There are no indications that impulse radar provides any advantages over conventional radar for this application. The Air Force will continue to study impulse radar for any possible counter-low-observables application.

Senator **Glenn**. Are you aware of any controversy between the military and industry stealth community and proponents of Impulse Radar Technology?

General **Chain**. I am aware of the Aviation Week article on impulse radar, but I am not aware of any controversy between the military and industry.

Senator **Glenn**. Can you give the committee an unclassified summary of the antistealth technologies being investigated as part of the B–2 development program?

General **Chain**. Since 1981, the Air Force has utilized a group of civilian and military Ph.D.-level engineers and scientists, to examine a wide range of possible counter-low-observable techniques. A list of some of the counters proposed and evaluated are as follows:

Acoustic systems
Ground-based and airborne bistatics
Antistealth radar waveforms
Balloon radar
Bistatic reflectors
Detection of corona
Correlation spectroscopy
Cosmic rays
Differential absorption
Hybrid bistatic radar
Detection of aircraft emissions
Impulse radars
Towers/nets
Advanced airborne surveillance
IR AWACS
IRSTs
Land mines
Magnetic disturbance
Space-based radars
Upgrading existing systems
Over-the-horizon radar
Passive coherent detection
Radar shadow detection
Radar wake detection
Radiometrics
Ultra-wideband radar
Polystation Doppler
HF radars

ADVANCED LAUNCH SYSTEM

Senator **Glenn**. General Piotrowski, you state in your testimony ". . . today's launch infrastructure is inflexible, unresponsive, and expensive."

What do we need to do, and what are we doing to correct these deficiencies?

General **Piotrowski**. Current U.S. launch systems are fragile, vulnerable, and not sufficiently survivable, responsive, or flexible to support U&S CINCs.

Booster and payload testing, processing and launch is lengthy, labor intensive and inflexible. Months of final assembly, payload integration and on-pad processing could inhibit rapid response to world conditions, quick recovery from either on-orbit or launch failures, or augmentation in response to crisis or reconstitution after enemy action.

Single pads and launch vehicle types, and unique payload-booster interfaces delay quick response and payload flexibility.

Launch systems and their industrial base are fragile. Loss of a single vehicle can significantly delay launch of subsequent payloads. Loss of production, logistic and other support can have equally detrimental effects.

Launch sites are located on our coasts for a variety of reasons, including safety to people and property. But, these vulnerable, fixed, coastal locations are subject to natural disaster disruption or attack. [Deleted.]

The possible alternatives to consider for satisfying these deficiencies are:

Expand Existing Systems.—Modify the existing launch infrastructure to enhance responsiveness, resiliency, and survivability.

Develop New Systems.—Develop a family of vehicles emphasizing significant improvements in total payload capacity, responsiveness, survivability and cost efficiency for assured access to space. Exploit/encourage innovative use of boosters, derivatives and/or technologies to provide responsive, robust and survivable launch.

USSPACECOM is leading the Assured Mission Support Space Architecture (AMSSA) study to address the larger issue of how best to ensure mission support from space to combat forces. The goal of the study is to look at the functions of Force Enhancement, Space Control, Force Application, and Space Support in an integrated way that will yield a 30-year macro-level view of how best to provide space support and a time phased plan on how to get there. Naturally, the plan will have to include recommendations for resolution of launch issues and provide a preferred mix of capabilities from the options described above.

SOVIET BOMBER FORCE

Senator GLENN. General Piotrowski, in your written testimony, you state that the Soviets continue to modernize and increase their strategic bomber force including air-launched cruise missiles. If I understood General Welch correctly in testimony last week, he said this country essentially had no continental air defense—that we just have not made a commitment to build on adequate air defense.

General Piotrowski, what is the capability of our air defense system against manned bombers and/or cruise missiles?

General PIOTROWSKI. In accordance with the terms of the NORAD Agreement concluded between the Governments of Canada and the United States, CINCNORAD has been charged with the responsibilities to provide surveillance and control of the airspace of Canada and the United States; to provide appropriate response against air attack; and to provide warning and assessment of aerospace attack.

[Deleted.] Should deterrence fail, the forces will be in position to provide Integrated Tactical Warning and Attack Assessment and to attrite the attacking forces. This strategy is sustained by NORAD dedicated and augmenting fighters (F-15s, F-16s, CF-18s, etc.), a system of ground-based microwave radars (JSS, NWS, aerostats, coastal radars), the Over-the-Horizon Backscatter (OTH-B) radar system (expected to be fully operational by the mid-1990s), airborne sensors such as the E-3 AWACS, fighter alert bases, forward operating locations (FOLs) for fighters, deployed operating bases (DOBs) for AWACS and tanker aircraft, and essential command, control, communications and intelligence. [Deleted.]

The biggest limiting factor in NORAD is surveillance. In fact, we do not have a surveillance system worthy of the name. Current radar warning systems are inadequate to provide continuous surveillance of objects operating in the aerospace medium, and detection and warning of intrusion into the sovereign airspace of the North American Continent. [Deleted.] This is one of the reasons we strongly advocate Over-the-Horizon Radars, Space Based Wide Area Surveillance, and more AWACS aircraft dedicated to the strategic air defense mission.

[Deleted.]

MX RAIL GARRISON

Senator GLENN. General Chain, even if the Rail Garrison development is not too concurrent—though I strongly believe that it is—there are other considerations that would prompt us to go slow. As you know, the distinguished chairman of this committee, Senator Nunn, as well as the President's National Security Advisor, General Scowcroft, has proposed banning mobile missiles with multiple warheads. In this regard, I have two questions:

Wouldn't you agree that it would be prudent to slow Rail Garrison development pending better definition of our START position?

General CHAIN. Definition of our START position has been and will continue to be an ongoing process. As was evident during negotiations on an agreement on theater nuclear forces, the U.S. is at an advantage when bargaining from a position of strength. Slowing Rail Garrison development could actually serve to hinder definition of a final START position. In addition, any delay in schedule for the Rail Garrison program will result in an increase in program cost proportional to the delay.

Senator GLENN. Second, as part of the Rail Garrison Development, would it be possible to investigate the feasibility of putting the SICBM on rail cars?

General CHAIN. Two such reviews were conducted prior to the President's SICBM full-scale development decision in December 1986. AF/SA investigated 14 SICBM basing mode options in August 1985. Seven of these options were fully considered in terms of cost and concept data. Rail mobile, hard mobile launchers (HML) on Minuteman (MM) sites and HML at Southwest bases were among those seven. It was concluded that although there were no technical problems with putting a SICBM on rail cars, HML basing was much more resilient to attack and posed a larger attack problem in tactical warning scenarios. HMLs at MM launch facilities were the lowest cost of all viable options. In April 1986, RAND investigated six "cost-savings alternatives" to the HML basing mode to include rail mobile. RAND concluded SICBM rail mobile was not as cost effective as the HML road mobile concepts. The estimated cost of a train system required to carry the equivalent number of RVs on single warhead missiles exceeded that of HML basing for the SICBM.

From both a warfighting and economy-of-force standpoint, SAC continues to support a baseline concept of SICBMs in HMLs based at MM launch facilities. The single warhead, 37,000 pound ICBM in a hardened, road mobile configuration, excels in a tactical scenario; represents an enduring, flexible response, during any phase of attack; and complements the MIRVed Peacekeeper on rails concept. If mobile MIRVs are banned, I would continue to support the SICBM baseline concept.

QUESTIONS SUBMITTED BY SENATOR JOHN MCCAIN

Senator MCCAIN. Please provide a comprehensive chronology of the plans and analyses you have carried out during the last 4 years to determine the necessary current and future size of our strategic forces, and in each case:

Summarize the methodology and conclusions relating to how alternative force sizes and modernization affect deterrence.

Summarize the methodology and conclusions relating to how alternative force sizes and modernization affect the outcome of given scenarios or conflicts.

Summarize the methodology and conclusions relating to how alternative force sizes and modernization affect damage to the United States and loss of U.S. lives.

General CHAIN. SAC is constantly planning to meet the strategic deterrence task in the future. Over the last 4 years, such analyses of future force structure capabilities and requirements have focused on the decreasing size of the strategic force available and the relatively constant task. Analyses conducted included START constrained and unconstrained scenarios. Force postures have ranged from day-to-day alert (the highly unlikely "bolt-out-of-blue" case) to fully generated alert. Since deterrence itself is not quantifiable, alternative forces are compared based on weapon carriage capability, weapon delivery capability, target coverage, timeliness of delivery, flexibility, balance of forces and damage capability. The overall conclusion of these analyses is that a balanced force which can hold the Soviet target base at risk will deter war. Many varying force structures have been and are continually being examined, especially in light of current and projected budget constraints. In all projected scenarios, a balanced modernized strategic Triad provides the best capability to deter war, and a force which deters war prevents nuclear damage to the United States and the loss of U.S. lives through nuclear war.

Senator MCCAIN. You have often used percentage of coverage of your target list as a measure of the adequacy of our strategic forces. This methodology does not provide any measure of warfighting or deterrent capability and maximizes requirements by treating all targets as being of equal importance.

Please provide a comprehensive summary of all other analytic methodologies, including games and net assessments, that you have used to determine requirements for strategic forces.

General CHAIN. Target base coverage is only one of the measures used to compare the capabilities of alternative force structures. Other measures used in the ongoing analyses at SAC are timeliness of delivery, weapon carriage capability, weapon delivery capability, flexibility, balance of forces and damage capability.

In applying our weapons, we take into account the timeliness of delivery. We determine which targets must be struck immediately, which targets must be attacked in a timely manner, and which targets do not have to be struck in the early phases of a war. Once the targets have been divided into these categories, we can begin to appropriately match our available weapons to the targets. This is just one way to determine the weapon-to-target match. We also divide targets into groups based on hardness, level of defense, type, damage level required and desired confidence in destruction. As can be seen, there are many ways to categorize the target base. In making weapon-to-target matches, we take all these factors into consideration.

In measuring weapon carriage capability, we focus on determining the number of weapons we have available to apply against targets. This perspective allows us to work with the weapons which we can generate and use in a nuclear war.

Weapon delivery capability is based upon the probability of our weapons to survive launch and reach their targets. Also included in these computations is the reliability of the particular weapon. Detailed analyses are done using sophisticated computer models and test results to determine the factors which are used to compute weapon delivery capability.

Flexibility and balance of forces are qualitative measures which we use to determine force effectiveness. Since they are qualitative measures, they are difficult to measure with analytic tools. Nevertheless, their presence or absence becomes evident in our analyses. If a force lacks flexibility, the number of arriving weapons and damage capability decrease. This occurs because forces which are not flexible are more difficult to plan and can be more easily defeated. This becomes apparent, for example, when we see decreased probability to penetrate, a loss of target coverage, and a decrease in the number of arriving weapons. A lack of balance within our forces means a force is more risky. A balanced Triad provides a real hedge against failures in one leg of the Triad. In the past, each leg of the Triad has experienced periods when its effectiveness and availability were severely decreased. So, although flexibility and balance are qualitative measures, they have a real impact on force effectiveness in our analyses.

Damage capability is an important measure of force capability. The steps involved in determining the damage capability of various forces are a detailed process which involves the measures addressed above. The target base is determined based on national guidance. Each target is assigned a number which identifies the target's vulnerability to destruction by nuclear weapons. This is basically a measure of the target's hardness. Given target hardness, we assign weapons to each target so that the weapon can destroy the target to the desired level within the specified timelines assigned to that target. After the appropriate assignment of weapons to targets, we then factor in the probability of the weapon arrival on its target. Finally, based on weapon yield, accuracy, reliability, probability of weapon arrival, target hardness, and weapon-to-target match, level of damage to each target is computed. This information is then compiled and the damage expectancy of a given force against the specified target base is computed.

The procedures outlined above are used to evaluate alternative strategic force structures and determine which forces are most capable. This comprehensive approach comprises quantitative and qualitative measures and gives us the ability to determine which forces will provide the most effectiveness, maintain deterrence and comply with national guidance.

Senator McCAIN. Please provide a chronology of changes in the total number of targets on the target list by type, and the reasons for such changes since 1980.

General CHAIN. [Deleted.] As a result, approximately [deleted] targets out of a total target base of just under [deleted] targets were [deleted] in nature. Over [deleted] targets were included in the target base for the same purpose. The other categories of targets included in the target base were [deleted]. As a result, approximately [deleted] targets were removed from the target list. The [deleted] target classes were also pared back slightly. Target list changes since 1983 have been a result of changes in the Soviet Union. The most significant of these changes is the result of the recent INF Treaty. With the signing of the treaty, about [deleted] targets have been removed or are in the process of being removed. As a result of the changes, the current target list contains almost [deleted] targets.

Senator McCAIN. Please indicate what methodology, if any, you use to prioritize the targets on your list, and provide the resulting analysis of target priorities.

General CHAIN. Presidential guidance, amplified by the Secretary of Defense and the Joint Chiefs of Staff, provides the basis for target selection and prioritization. Based on this guidance, the Joint Strategic Targeting Planning Staff (JSTPS) comes up with a prioritized target list.

Senator McCAIN. What is the marginal impact on deterrence of 20 percent and 40 percent cut in coverage of targets? What is the impact on warfighting, and conflict outcomes?

General CHAIN. With the current array of U.S. forces, the Soviets know they cannot attack us and survive themselves. [Deleted.] Since deterrence itself is not quantifiable, the marginal impact on deterrence cannot be determined.

However, other contributing factors can be measured. A 20- to 40-percent decrease in weapons available would directly affect my warfighting ability. Damage expectancy would fall between [deleted] points, depending on the quality of weapons remaining, and SIOP flexibility would suffer.

I am directed to hold some specific targets and some general categories of targets at risk. For example, I must target [deleted] but I must also be able to [deleted]. Fulfilling the first is straightforward but meeting the second requires flexibility of action. [Deleted.]

Senator McCAIN. What methodology, if any, do you use to assess the impact of given types of target coverage on the probable actions of the Soviet leadership?

General CHAIN. As a warfighter, I am charged with ensuring our warfighting forces deter the Soviet leadership and, if this fails, using the forces available to make Soviet war aims unattainable. While we cannot with certainty predict what deters the Soviet leadership, our strategy of deterrence is based on holding at risk those assets that the Soviet leadership most values, including their nuclear forces. We are unable to positively determine the probable response of Soviet leadership to changes in target coverage. However, target coverage through a balanced Triad of capable, modern weapons translates into effectiveness and strength, and these qualities have deterred in the past and should continue to deter in the future. I do not know where the threshold of nuclear war is, but I do know we cannot afford to find out.

Senator McCAIN. How many targets on the target list are Soviet and Warsaw Pact air defense units of any kind?

General CHAIN. Air defense units targeted by strategic forces include [deleted]. Over the past several years, the target list has contained [deleted] Soviet and Warsaw Pact air defense units.

Senator McCAIN. How many additional air defense targets will be on the target list if the B–2 and B–1B programs are fully funded?

General CHAIN. If the B–1B and B–2 programs continue, no additional targeting is required. However, if the B–2 and B–1B programs are reduced, additional targeting of Soviet air defenses may be required to allow the less capable U.S. systems to penetrate the Soviet Union. I must emphasize that the Soviets have shown no indication of letting up in their program to improve their strategic defenses. In fact, with new agreements limiting strategic offensive systems, there may be an increased emphasis on and diversion of resources to strategic defense programs.

Deployments of fourth-generation fighters—MiG–31 Foxhound, MiG–29 Fulcrum, and SU–27 Flanker—[deleted]. The Soviets continue to produce the Mainstay AWACS and improve their command and control communications capabilities. Production continues on MIDAS tankers. These improvements continue to increase the Soviets' ability to extend the defense of their homeland outward from their shoreline. The surface-to-air (SAM) portion of the Soviets' air defense network is also being upgraded as deployments of SA–10 strategic SAMs [deleted]. No B–2 force, with the continued Soviet emphasis on air defense, allows the Soviets to create sanctuaries that cannot be attacked to the degree I have been directed by my civilian leaders. The B–2 is absolutely necessary to ensure these sanctuaries are not allowed to develop.

Senator McCAIN. You have asserted the marginal value of the B–2 and improved penetrating bomber capability, but I am concerned at the lack of a clear analytic rationale.

What is the marginal increase in target coverage by category with your current and projected forces coming from the use of penetrating bombers that cannot be achieved by using bombers with cruise missiles and other delivery systems? How do you assess the marginal value of that target coverage in terms of increased deterrence, warfighting capability, damage limited, and improved conflict termination capability? How do you assess the value of this marginal increase in determining the acceptability of the current START agreement?

General CHAIN. 132 B–2s preserve approximately the same target coverage as we have in today's SIOP; from this statement it is obvious that anything less than 132 B–2s will provide less target coverage than we have today. Decreased target coverage means decreased deterrence, warfighting capability and damage expectancy. Strategic modernization, to include the B–2s, maintains the capabilities of the strategic Triad at levels comparable to those we have today and, thus, would allow us to accept the current START proposals.

In a START environment, weapons are constrained but the target base is not significantly reduced. In this environment, cruise missiles cannot do the same job as a penetrating bomber. If we were to field a bomber force consisting entirely of cruise missile carrying bombers, we would experience a drop in target coverage, warfighting capability, flexibility and damage expectancy. Target coverage drops because in a START environment the number of cruise missiles allowed is significantly less than the number of weapons we can carry if we have a force of cruise missile carriers and penetrating bombers. In fact, a bomber force which includes 132 B–2s provides approximately 2,500 more deliverable weapons than a force of cruise missile carriers only. A bomber force of cruise missile carriers has no capability against relocatable and look-shoot targets and is not suitable for area targets. In addition, the Soviets' air defense problem become less complicated. By extending their air defenses, the Soviets could defeat a force of pure cruise missile carriers and, thus, reduce our warfighting capability.

On the other hand, a force with penetrating bombers, particularly the stealthy B-2, and cruise missile carriers presents the Soviets with a highly complicated air defense problem. This force can attack from all directions, and since a penetrating bomber can fly about three times as far as a cruise missile, its avenues of attack are less predictable and less restricted than those of the cruise missile and its carrier. The penetrating bomber with its ability to fly great distances, avoid enemy air defenses, examine targets before applying weapons, search for relocatable targets, deliver high yield weapons accurately, and maneuver as the situation requires greatly increases the flexibility of our forces. A force which includes both penetrating bombers, especially the B-2, and cruise missile carriers provides the highest damage expectancy. This translates into continued deterrence at a reduced level of overall weapons which is the ultimate goal of our strategic forces.

Senator McCain. What would the marginal impact be on your answer to the above question if the B-2 program was terminated at less than 40 aircraft?

General Chain. At less than 40 aircraft, our capability would be greatly reduced. In fact, it's doubtful if the Nation would possess a viable manned penetrator force beyond the year 2000 if the B-2 program was reduced to such a level. A robust manned penetrator force is an absolute necessity in an arms control environment where ballistic missiles and cruise missiles are severely constrained. The loss of 1400–1800 weapons associated with the suggested B-2 reduction would severely impact target coverage and damage capability, increase associated risk and reduce the overall Soviet perception of U.S. deterrent capability. Should deterrence fail, my warfighting capability would be significantly degraded.

Senator McCain. What would the marginal impact be on your answer to the above question if the B-2 program was terminated at less than 75 aircraft?

General Chain. If B-2 procurement was stopped at 75 aircraft, we face similar, albeit somewhat less, problems as identified with 40 aircraft or less. The capability to meet my task is reduced. The loss of 900–1100 weapons decreases my capability to achieve desired target coverage and damage capability, thus limiting my ability to deny the Soviets' war aims. Any such reduction impacts deterrence through increased risk and changed Soviet perceptions. Once again, should deterrence fail, my warfighting capability would be degraded.

Senator McCain. You assert that bombers have a stabilizing role. Have you ever considered using the B-2 to attack Soviet strategic targets before the beginning of a strategic nuclear exchange? If so, what is the current status of such plans?

General Chain. No. More importantly, development of such a plan would be foolhardy on at least two counts. First, B-2s are too slow to be used as first-strike weapons, and, second, launch of sufficient B-2s and associated tankers to constitute a strike force would certainly be detected by the Soviets. That's why both sides in START have agreed to a framework which favors "slow flying" bombers over "fast flying" ballistic missiles. However, the B-2 does provide a survivable, flexible, capable weapon system that can render a Soviet first strike as suicidal.

Senator McCain. In your war games, what is the pattern, number and type of the postulated Soviet strikes on U.S. bomber bases, dispersal facilities and other bomber related targets? How will the B-2 program affect this targeting and the resulting level of damage to the U.S.?

General Chain. Should deterrence fail, SAC main operating and dispersal bases, as well as a number of civilian airfields which are capable of supporting SAC operations, are postulated to be very important to the Soviets. The Soviets would probably target these airfields with more than one weapon to ensure damage. Other related facilities that would be struck include command and control and nuclear weapons storage facilities. The B-2 program would probably not affect projected Soviet targeting.

But such strikes would not, in all likelihood, dent our retaliatory capability. The U.S. has spent billions of dollars over the last decade to ensure ample warning time to escape a preemptive attack. The Soviet Union, in order to launch any effective attack on the U.S., would have to generate its forces without detection. It would then have to posture SSBNs close to the U.S. coastline without detection. Even then, the time between ballistic missile launch and impact on U.S. bases is more than sufficient for me to launch our bombers and tankers under positive control launch for survival. My people are constantly striving to improve our responsiveness to such a short-notice threat, even though the likelihood of such a surprise attack is very low because of our intelligence and warning system and a survivable retaliatory force.

Senator McCain. Why do you believe the U.S.S.R. would choose to ride out any B-2 attack on its strategic delivery systems, rather than launch or use them under attack?

General Chain. As I stated earlier, the B-2 is not a first-strike weapon. In any plausible scenario, the B-2s would arrive after ICBMs and SLBMs have impacted Soviet territory. Therefore, the Soviets would not face the decision to "ride out any B-2 attack." The relocatable target scenario where the B-2 searches for a 55-24/25 constitutes a different case. [Deleted] the Soviet national leadership who know that the B-2 has some chance less than 1.0 of finding the missile. If it does not find the missile, that missile would be more valuable in a post-exchange environment. Soviet doctrine and warplanning rely on strategic reserve weapons; therefore, the Soviet leadership would likely gamble on the missile not being found and would not use it.

Senator McCain. I am equally concerned at the lack of a clear analytic rationale for the SICBM.

What is the marginal increase in target coverage by category with your current and projected forces coming from the use of SICBM which cannot be achieved by other delivery systems? How do you assess the marginal value of that target coverage in terms of increased deterrence, warfighting capability, damage limited, and improved conflict termination capability? How do you assess the value of this marginal increase in determining the acceptability of the current START agreement?

General Chain. The deployment of the SICBM will enhance rather than significantly change target coverage. Its single warhead configuration provides enduring operational flexibility to attack emerging targets and those targets widely separated by distance and time.

In the event of a Soviet attack, virtually every SICBM would survive to destroy a Soviet target—no matter what the scenario. The SICBM's high yield, accuracy, range and single warhead configuration would allow it to be assigned to a significant portion of the target base now being covered by less effective platforms. The SICBM's ability to survive the initial phase of war and endure would allow it to be effectively employed as a secure reserve force weapon in an environment which is not target rich. The SICBM's mobility, capability and employment flexibility would enhance deterrence, warfighting ability, target damage expectancy and conflict termination capability.

In a START environment of reduced strategic weapons, each weapon must be more capable to maintain deterrence in the face of a targeting task which is not significantly reduced. Highly survivable, capable and flexible SICBMs meet this criterion, serve deterrence and help underwrite a START agreement.

Senator McCain. In your war games, what is the pattern, number and type of the postulated Soviet strikes on U.S. ICBM bases, dispersal facilities and other related targets? How will the SICBM program affect this targeting and the resulting level of damage to the U.S.?

General Chain. Should deterrence fail, ICBMs are considered very important targets. The Soviets appear to have deployed the SS-18 specifically to hold U.S. ICBMs at risk. They have fielded enough SS-18s to target all the U.S. silos and the related launch control facilities.

The SICBM program, or any other mobile ICBM program for that matter, could cause significant changes in Soviet targeting. Targeting a mobile system is an extremely difficult task and would provide little return for the Soviet effort. Because of the difficulty inherent in holding mobile missiles at risk, mobile systems provide a stabilizing influence on the strategic nuclear balance. Fielding mobile missile systems will enhance deterrence and reduce significantly the chance that we will ever be involved in a nuclear war.

Senator McCain. Why do you believe the U.S.S.R. would not be equally deterred by the mix of the SSBN and MX Rail Garrison force?

General Chain. The cornerstone of deterrence is a balanced Triad force. In the event of a breakdown in one or two legs of the Triad, the remaining leg(s) can still provide a significant measure of deterrence. With a SLBM heavy force, the Soviets will be equally deterred only if they do not come up with a good antisubmarine warfare (ASW) capability. However, with an ASW breakthrough, the SLBM heavy force would not have a significant deterrent value.

A balanced force of SSBNs, Rail Garrison, some SICBMs and a robust number of B-2s would have a much greater deterrent value even with an ASW or other breakthrough, since we would still have survivable weapon-systems. As history clearly shows, a balanced Triad provides the flexibility, survivability, stability and capability required to maintain deterrence in the face of uncertainty and instability.

Senator McCain. You mention Soviet strategic modernization in general terms. Please provide a detailed breakout of each major development and of your assessment of how it will affect current and post-START coverage for U.S. targets, U.S. warfighting capability, and the estimated level of damage to the U.S. in a major exchange.

General Chain. The Soviets have long, ongoing modernization programs in all three legs of their Triad and within their strategic defensive force.

The U.S.S.R. began fielding mobile ICBMs, both road and rail based, in the mid- and late-1980s. These systems, the SS-25 and SS-24, provide a very survivable strategic strike force, thereby increasing stability from their perspective. They continue to field these systems as they bring down older silo-based systems to remain roughly within SALT-negotiated limits. The Soviets are also developing improved versions of these missiles. Eventually, a majority of Soviet ICBMs will be mobile.

The U.S.S.R. continues to construct new SSBNs with new SLBMs, significantly upgrading this leg of their Triad. [Deleted.]

Modernization has moved apace in the bomber leg of the Soviet Triad, as the Soviets have activated [deleted] of new Bear-H intercontinental bombers since 1985 and are now building and deploying the new Blackjack intercontinental bombers. Both bombers are capable of penetrating U.S. airspace, as U.S. defenses are almost nonexistent, and both are capable of carrying cruise missiles to increase the number of targets each bomber can cover. [Deleted.] Bombers offer the Soviets the same advantage they have offered the U.S.—a controllable, flexible weapon system effective against many categories of targets and with a man in the loop capable of making independent decisions such as diverting to a secondary target if the primary has already been destroyed.

The Soviets have shown no indication of letup in their program to improve their strategic defenses. In fact, with new agreements limiting strategic offensive systems, there may be an increased emphasis on and diversion of resources to strategic defense programs. Deployments of fourth-generation fighters—MiG-31 Foxhound, MiG-29 Fulcrum and SU-27 Flanker—[deleted]. The Soviets continue to produce the Mainstay AWACS and improve their command and control communications capabilities. Production continues on MIDAS tankers. These improvements continue to increase the Soviets' ability to extend the defense of their homeland outward from their shoreline. The surface-to-air (SAM) portion of the Soviets' air defense network is also being upgraded as deployments of SA-10 strategic SAMs [deleted].

These improvements in Soviet offensive capability are qualitative, not quantitative. As they modernize, they will hold to the SALT limits so [deleted]. What they will do, however, is improve the quality of their weapons which will marginally increase the level of damage they could inflict on the U.S. in a major exchange.

As we improve our strategic capability, the Soviets are improving theirs. Their offensive modernization will make our offensive task harder. We are developing systems to counter their technical improvements. Their projected defensive improvements would significantly impact our current forces, but our planned improvements will counter theirs. Overall, our strategic modernization program and theirs balance each other, and the strategic nuclear balance will remain relatively constant and stable.

Senator McCain. What analysis have you conducted of specific alternatives to the current START agreement? Please provide a summary chronology.

General Chain. While SAC is not directly involved in the START negotiations, we do make inputs to the development of U.S. positions. To this end, within the current framework, we have looked at numerous and varied alternatives which run the gamut from bomber counting rules to various mixes of ICBMs, SLBMs and bombers.

Senator McCain. Have you specifically examined trading cuts in the B-2 and B-1B program for cuts in Soviet offensive forces? If so, please summarize the resulting analysis. If not, please explain why?

General Chain. Again, we do not participate in negotiations, but we do examine force structure alternatives. With bombers being the most stabilizing forces on both sides—since they are not first-strike weapons—trading off bombers would be a destabilizing move that would not be prudent from our or the Soviet perspective.

Senator McCain. What methodology does SAC use to compute U.S. and Soviet hard target kill capability? With the exception of unique warhead characteristics, is the same methodology used for each side? Are there differences between the two sides in specific parameters used in the computations such as type of burst—air versus ground and height of burst—and estimated construction of silos for each side? All other factors being equal, would Soviet hard target kill capability go up or down if Soviet missiles, with their unique CEP and warhead characteristics, were replaced by U.S. missiles, with their unique CEP and warhead characteristics, using the same number of warheads for each computation?

General CHAIN. SAC uses a standard methodology to compute hard target kill capability. This methodology is based on both weapon capabilities and target hardness. This same methodology is used to estimate red-on-blue attacks as well as blue-on-red attacks. In fact, this modeling is done in the same office using the same computer software. The differences that are apparent in the results of the two sides are due to the inputs used in these programs. Intelligence estimates must be made about Soviet system capabilities and silo hardnesses while we obviously have more complete and accurate information about our own systems. If the Soviet ICBMs were replaced by our ICBMs in the same number, we estimate that Soviet damage expectancy would increase since we estimate that our ICBMs are more capable (particularly in accuracy) than theirs.

ASAT

Senator MCCAIN. Please provide a detailed chronological summary of the results of all gaming and analysis you have done to quantify the nature of current and estimate Soviet ASAT threats to U.S. capabilities.

What is the level and rate of degradation in U.S. capabilities by type?

What U.S. capabilities can and cannot the current Soviet ASAT threat cover?

How is this coverage estimated to change by 1995?

General PIOTROWSKI. The two ASAT gaming exercises, in which U.S. Space Command actively participated, were the following:

ASAT Joint Program Office-sponsored Kinetic Energy (KE) ASAT Wargame, August 1989.

OSD/ISP-sponsored ASAT Politico-Military Game, November 1989 The ASAT Joint Program Office's "Cost and Operational Effectiveness Analysis Report," January 1990, documents the results of the KE ASAT Wargame and of simulation analyses examining the operational effectiveness of alternative U.S. ASAT systems. In general, the wargames and analyses showed that without a U.S. ASAT capability, the Soviet Union and other countries could conduct operations from space which might significantly impact U.S. or allied forces worldwide. Excursions were run not only for the Central European region, but also for ASAT support to Naval operations. For example, the [deleted].

What is the level and rate of degradation to U.S. capabilities by type? The answer to this question is very scenario dependent and is influenced by both U.S. and Soviet objectives. To properly describe the U.S. space population's vulnerability to Soviet ASAT capabilities, we selected a representative U.S. satellite population, applied some judgments concerning the Soviet capability to destroy or disable our satellites, and obtained the following results:

[Deleted.]

What U.S. capabilities can and cannot the current Soviet ASAT threat cover? In 1990, the [deleted].

How is this coverage estimated to change by 1995? The Soviets currently have robust R&D programs in both the EW and DE areas. We anticipate these programs will continue over the next 5 years. Although it is difficult to quantify the impact of additional ASAT resources, it is reasonably safe to assume that U.S. and allied satellites at all altitudes could be at increased risk from EW and DE interference and degradation.

Senator MCCAIN. Please provide an estimate of the total program cost of the ASAT program you recommend, showing the size of the recommended program when deployed and the coverage of Soviet space capabilities you desire.

General PIOTROWSKI. At this time, only a first-order estimate of the total program cost is available. Several factors are required before a firm cost can be established the principal being contractors responses to the 15 February 1990 Joint Program Office (JPO) Request for Proposal (RFP).

[Deleted.]

The Soviets currently have approximately 160 spacecraft on-orbit. Based on our analysis of the expected Soviet space systems on-orbit during a crisis, [deleted]. Executing this option at a critical juncture is the U.S. military capability we are seeking to achieve with the projected KE ASAT system.

Senator MCCAIN. Have you examined arms control options as an alternative to an ASAT program? If so, discuss such options in depth. If not, please explain why.

General PIOTROWSKI. Arms control options are normally examined and evaluated by the Department of State in conjunction with the Office of the Secretary of Defense for Policy (OSD/Policy). In February 1990, OSD/Policy submitted to Congress the congressionally-mandated "Anti-Satellite Report to Congress," which summarized the administrations ongoing review of ASAT arms control. Regarding a comprehensive ban on specialized ASAT systems, the administration concluded that the "Problems associated with ASAT arms control including verification, definition, breakout, disclosure of information, and the need to counter Soviet targeting satellites contribute to the conclusion that a comprehensive ban that would seek to eliminate testing and deployment of specialized ASAT systems is not in the interest of U.S. national security." The administration is continuing to study specific ASAT arms control options.

The U.S. has a military requirement to hold at risk spacecraft that can threaten our terrestrial forces and serve as a force multiplier to Soviet forces. I do not believe an ASAT ban, even if verifiable, is in the best interest of our country. Such a ban would allow the Soviets a sanctuary from which they could locate and help target our military forces. This apparently was also the opinion of the often-quoted (by ASAT opponents) 1987 Aspen Study, Seeking Stability in Space, which concluded "the United States must maintain capabilities to attack threatening Soviet satellites."

TERMINATION OF B-2/SICBM PROGRAMS

Senator McCain. If the B-2 and SICBM program were terminated in fiscal year 1991, how much total program cost money would be saved in each year from fiscal year 1991 to fiscal year 2020: Please show the savings for each program separately. Please provide a detailed break out by each major budget category for each fiscal year in the period affected. Include all associated construction costs and other current planned RDT&E and procurement expenditures related to each program.

General Piotrowski. It is not realistic to assume that termination of B-2 or SICBM program would simply return to the Treasury those funds now projected for their acquisition. "Savings" calculated that way are not useful, as they represent at best an intermediate result. One must also consider the force adjustments which would then be necessary to offset the loss in planned military capability and consider their costs. This is particularly important in the strategic nuclear arena, where there are no signs that the Soviets are decreasing their strategic offensive capability. For example, if B-2 was terminated, with the loss of its ability to penetrate the heaviest Soviet defenses well into the next century, modifications to our existing bomber aircraft and force structure changes would be needed. The modifications and force structure changes might include: The building of more B-1Bs and continued use of the B-52H as a penetrator and the B-52G as a cruise missile carrier. The development and fielding of new bomber ECM techniques and incorporation of other aircraft improvements needed to improve the effectiveness of existing bombers. However, these changes could never compensate and provide an equivalent capability lost with the termination of the B-2. This loss in capability will adversely impact the ability of the Air Force to meet national security objectives and reduce our capability to deter war at all levels.

[Whereupon, at 4:35 p.m., the committee adjourned.]

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